



City of High Point Community Development & Housing 2012-2013 Annual Action Plan



2012-2013 Annual Action Plan

**CDBG/HOME Programs
July 1, 2012 – June 30, 2013**

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Submitted by

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I. Executive Summary

The City of High Point's 2012-2013 Annual Action Plan, the third of a 5-year period from 2010 - 2014, describes activities proposed for funding and implementation during FY 2012-2013. The Action Plan sets forth a description of proposed activities, establishing goals and objectives for each of them. The Plan is based on the housing and community priority needs as defined in the Consolidated Plan¹ along with the anticipated financial resources available to address those needs. The Plan also contains goals and measurable objectives for projects and activities which implement strategies established in the Consolidated Plan. The 2012-2013 Annual Action Plan complies with regulations issued by the U.S. Department of Housing and Urban Development (HUD) in 1995. HUD requires Entitlement² communities such as High Point to consolidate its planning, application and reporting requirements for HUD programs including the Community Development Block Grant (CDBG) and the HOME Investment Partnership Grant programs (HOME). The Action Plan must be prepared each year. It is presented for approval to the Citizens Advisory Council and City Council. It must be submitted to HUD by May 16, 2012. A final Plan will be made available for review on the City's website, www.high-point.net/cd and in print form at the Community Development and Housing Department's office, 211 S. Hamilton Street, Suite 312, High Point, NC 27261.

II. Community Development and Housing Department Overview

The City of High Point's Community Development and Housing Department (CD&H) is committed to providing the highest level of service and a broad range of opportunities to its customers. Recognizing that neighborhoods cannot be strengthened simply with "sticks and bricks," the Department implements a diverse but coordinated mixture of programs ranging from affordable housing activities to public services to various neighborhood improvement activities and community-capacity building.

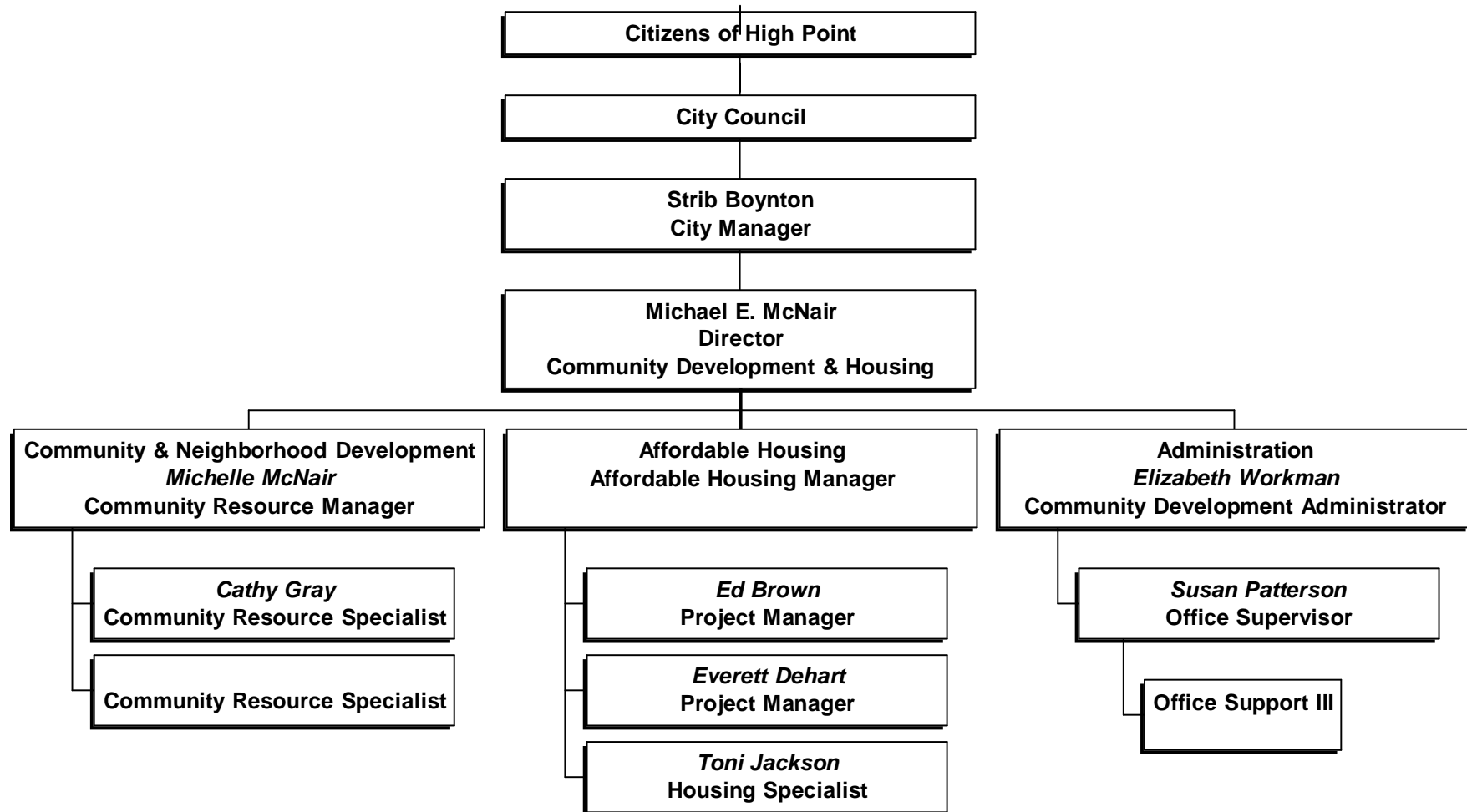
CD&H is responsible for program administration, monitoring, compliance and evaluation. It prepares the 5-year Consolidated Plan and the One-Year Action Plan. The Department also manages the citizen participation process; makes program documents available for public inspection/comment; assists the Citizens Advisory Council; and seeks City Council approval of the Action Plan. Each year the Department prepares a Consolidated Annual Performance and Evaluation Report³ (CAPER) to inform citizens of the use and impact of community development funds. CD&H staff provide progress reports to the City Manager, the Citizens Advisory Council and City Council. These reports include recommendations on reallocation of funds as appropriate. The Department's organization chart is shown on the next page.

¹ A five-year plan that describes a community's needs, resources, priorities, and proposed activities to be undertaken with HUD funding, primarily CDBG and HOME program funds. The Consolidated Plan is updated annually

² A city which, based on factors such as its population, age of housing and poverty levels, is entitled to receive CDBG funds directly from HUD.

³ A CAPER reports how jurisdictions carried out housing and community strategies, projects and activities in the past year.

Community Development and Housing Organizational Chart



A. Citizens Advisory Council

The Citizens Advisory Council (CAC), a nine-member volunteer entity composed of city residents, plays a key role in the planning process. CAC members are appointed by the Mayor and City Council, and are limited to two consecutive two-year terms. The CAC was established in April 1974 to function as the primary citizen participation mechanism for projects planned and implemented with HUD funds. CD&H is responsible for providing administrative and technical support to the CAC. The CAC meets once a month; all meetings are conducted in an open manner, with freedom of access for all interested persons. Current members are:

Jerry Mingo, Chair At large
Vacant, Ward 3
Jason Ewing, Ward 6

Jeffrey Golden, Ward 1
Roger Perrine, Ward 4
Samantha Klemme, At-Large
Foster Douglas, City Council Liaison

Jermaine Dawson, Ward 2
Stephanie Coggins, Ward 5
Yvonne Short, At-Large

B. The Planning Process

Participation of the general public and of public organizations is extremely important to the development of the Annual Action Plan. To maximize citizen participation, CD&H staff conducts a series of community meetings to discuss the planning process and solicit input. Community meetings are advertised in local newspapers at least 14 days in advance. This year's meetings were held as follows:

Washington Terrace Recreation Center
High Point Public Library

February 16, 2012
March 1, 2012

During these meetings, staff reviewed HUD national objectives as well as ongoing department activities, and facilitated a discussion of community needs along with suggestions for improving programs. Meeting with the community gives the department the best opportunities to interact with residents and receive feedback. Staff regularly attend neighborhood group and association meetings in the Core City throughout the year which builds partnerships, maintains meaningful and productive relationships in the community, and enhances the Department's ability to develop responsive, relevant programs.

C. Public Hearings

Two public hearings were conducted on the proposed Action Plan. The Citizens Advisory Council conducted the first public hearing at 6:30 PM on Thursday, March 22, 2012 at the Community & Neighborhood Development Center, 201 Fourth Street, High Point. The second public hearing was conducted by City Council during its regularly scheduled meeting on Monday, April 16, 2012 in City Council chambers on the third floor of City Hall, 211 South Hamilton Street.

D. Public Notice

The Community Development and Housing Department published a draft of the proposed 2012-2013 Annual Action Plan for public review and comment. The period of public review was for 30 days beginning March 12th and ending April 13th, 2012. The proposed plan was available for review at the following locations:

- City of High Point Parks & Recreation Dept., 136 Northpoint Avenue
- Community Development & Housing Department, Room 312, City Hall, 211 S. Hamilton Street
- Community & Neighborhood Development Center, 201 Fourth Street
- Fairview Family Resource Center, 401 Taylor Avenue
- Macedonia Family Resource Center, 401 Lake Avenue
- West End Community Center, 901 English Road
- Washington Terrace Recreation Park, 108 Gordon Street
- Morehead Recreation Center, 101 Price Street
- ARK of Safety Daycare, 1411 Montlieu Avenue
- High Point Housing Authority, 500 E. Russell Street
- Department of Social Services, 325 East Russell
- Newgate Garden Apartments, 605-D Granby Avenue
- Brentwood Crossings, 308-D Brentwood Street
- Carl Chavis YMCA, 2357 Granville Street

The Annual Action Plan describes housing and community development activities proposed by the City between July 1, 2012 and June 30, 2013 with a blend of HOME, CDBG Entitlement, program income, and local funds. The Plan also identifies other activities funded by a Lead Hazard Control grant, Health and Human Services, and Shelter Plus Care. For more information, please call or write: Community Development & Housing Department, City of High Point, PO Box 230, High Point NC 27261 or visit our website: www.high-point.net/cd. The City of High Point's meeting facilities are accessible to people with disabilities; those needing special accommodations may call (336) 883-3298 (voice) or (336) 883-8517 (TDD) to make prior arrangements.

E. Projected Sources of Funding

The CDBG program was created to plan and implement projects that foster revitalization of eligible communities throughout the United States. High Point is an Entitlement city, eligible to receive an annual CDBG allocation directly from HUD. Title I of the Housing and Community Development Act of 1974, as amended, is the legislation that authorizes the federal government to disburse block grant funds. The primary goal of this legislation is the development of viable urban communities. Program objectives include the provision of decent housing, a suitable living environment and expanded opportunities principally for low to moderate-income individuals and families.

The City of High Point has been an Entitlement city for 37 years. CDBG-funded projects and activities must meet one of three broad national objectives; all of High Point's CDBG-funded activities in the Annual Action Plan meet at least one of these national objectives:

1. Benefit low and moderate income persons
2. Aid in the prevention and/or elimination of slums or blight
3. Meet community development needs having a particular urgency

HUD also allocates HOME program funding to assist in implementing affordable housing strategies that address local housing needs. This program strives to meet both the short-term goal of increasing the supply and availability of affordable housing and the long-term goal of building partnerships between state and local governments and non-profit housing providers. It was created under the auspices of the National Affordable Housing Act of 1990. The HOME program affirms the federal government's commitment to:

- Provide decent, safe and affordable housing to all Americans
- Alleviate the problems of excessive rent burdens
- Alleviate and/or eliminate homelessness
- Eliminate deteriorating housing stock

Funds to operate the program are allocated by formula. Grantees must spend their allocations within five years, otherwise funds are subject to recapture by HUD. In the past the City of High Point received its HOME funds allocation as part of a consortium that included the cities of Greensboro and Burlington as well as Alamance and Guilford counties. The City was a member of the consortium⁴ for a decade. The 2011-2012 Annual Action Plan represents the seventh year that High Point has been a Participating Jurisdiction⁵, receiving HOME funds directly from HUD. HOME funds require a 25% cash match from the City.

HUD regulations require the City to identify all resources expected to be available to implement activities identified in this Annual Action Plan. These funds, enumerated in the chart on the next page, will be used to develop a coordinated, comprehensive approach to the core goals identified in the Plan.

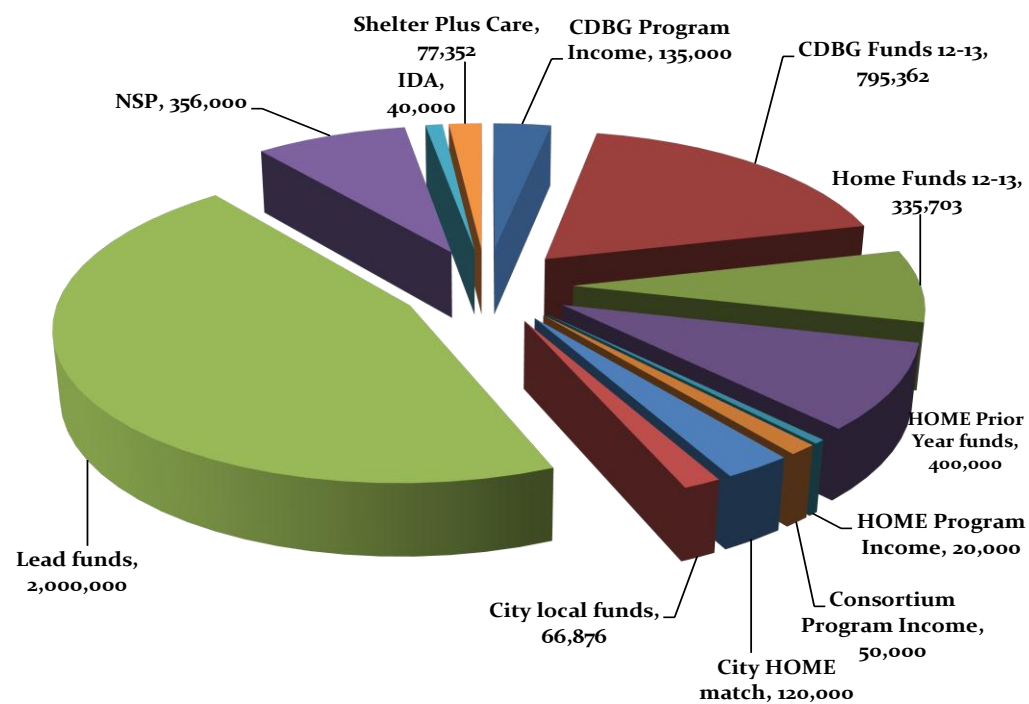
⁴ A HOME consortium is a legal entity comprised of contiguous units of local government. Typically a group of local governments choose to form a consortium primarily because one or more members are not eligible to receive a formula allocation, or their formula allocation would not meet the minimum threshold for funding.

⁵ HUD designation as a participating jurisdiction occurs if a State or local government meets funding thresholds, notifies HUD that it intends to participate in the program, and obtains approval by HUD of a Consolidated Plan.

Anticipated Funding & Source	HOME	CDBG	City Funds	Other Funds	Total
CDBG Program Funds 2012-2013		\$795,362			
CDBG Program Income		\$135,000			
HOME Program Funds 2012-2013	\$ 335,703				
HOME Prior Year Funds	\$400,000				
HOME Program Income	\$ 20,000				
Consortium Program Income	\$ 50,000				
City Match Funds for HOME			\$ 120,000		
City funds, 1 salary/operating expense			\$66,876		
LEAD				2,000,000	
NSP				356,000	
IDA				40,000	
Shelter Plus Care				77,352	
TOTALS	\$805,703	\$930,362	\$186,876	\$2, 473,352	\$4,396,293

The 2012-13 Annual Plan budget is illustrated on the right. HUD's CDBG and HOME funds provide the bulk of funds used to provide affordable housing, neighborhood revitalization, emergency repairs, down payment assistance and community programs. Lead poison remediation funds constitute the largest single source of funds this budget year.

Loan repayments (program income) is added to the budget as well as required HOME match funds from the City's regular budget. The City also provides one staff salary and some operating funds.



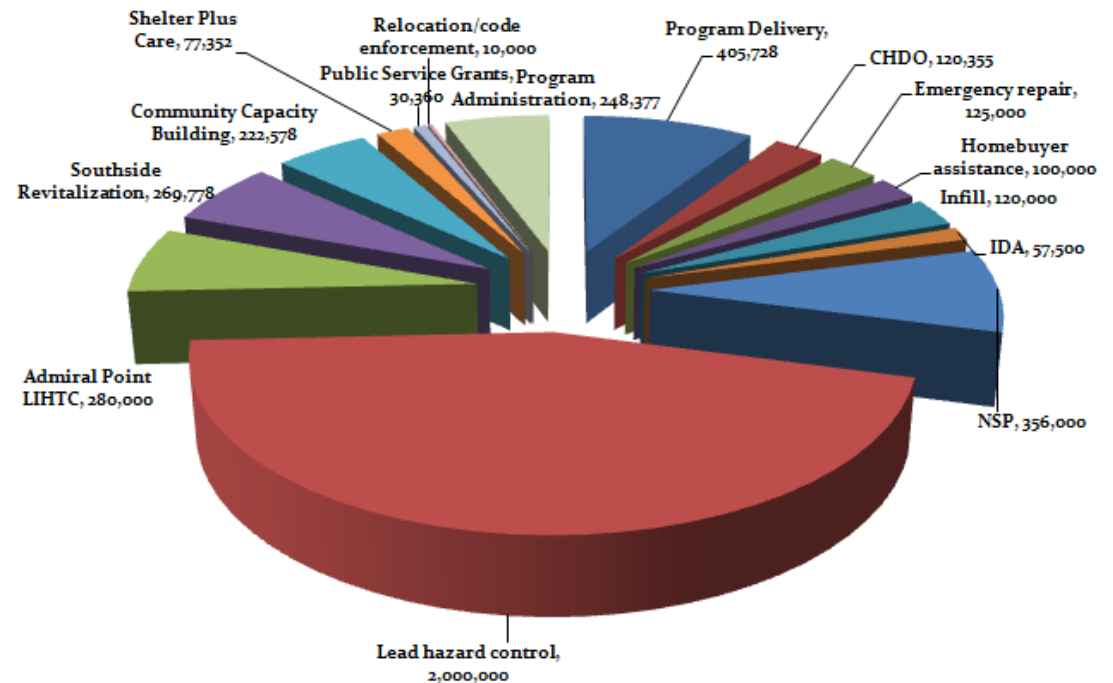
Proposed Use of Funding

Affordable Housing	Program Delivery	405,728	Delivery costs to provide affordable housing
	CHDO	120,335	Affordable housing development
	Emergency Repair	125,000	Home repairs
	Homebuyer Assistance	100,000	Home purchase, loans/grants
	Infill	120,000	Acquisition and new construction
	Individual Development Accounts	57,500	Finance/household management skills
	Southside Revitalization	269,778	Neighborhood improvement
	NSP	356,000	Purchase/renovate foreclosed properties
	Multi-family LIHTC	280,000	Admiral Pointe Elderly complex
	Lead Hazard Control	2,000,000	Lead-based Paint remediation
Total		3,834,578	
CNDD	Community Capacity Building & Projects	222,456	Community capacity-building programs
	Relocation for Code Enforcement	10,000	Relocation due to code enforcement
	Public Services	30,360	Public Service grants
	Shelter Plus Care	77,352	Permanent housing for homeless persons w/disabilities
Total		340,290	
Program Administration	HOME & CDBG	221,642	Operating, program design, neighborhood analysis
	Total	221,642	
GRAND TOTAL		4,396,293	

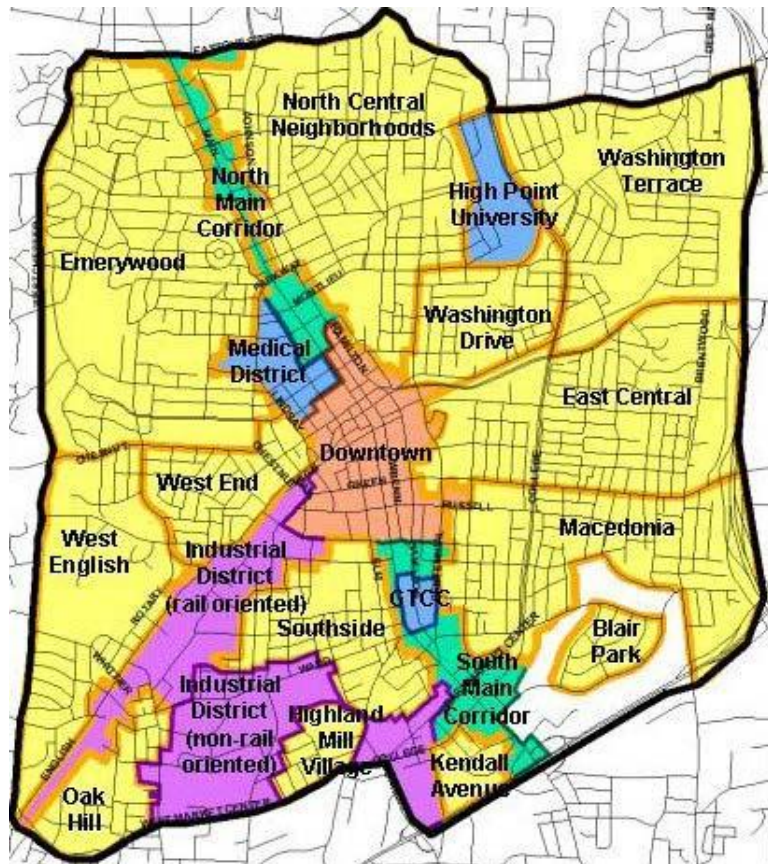
In accordance with HUD regulations, the Department designs and implements various affordable housing, community and neighborhood development strategies to meet identified needs.

Affordable housing strategies are designed to increase the supply of affordable housing, improve the condition of existing low-income housing stock, and enhance the accessibility of affordable housing to low-to-moderate income homebuyers.

Community & Neighborhood Development (CNDD) strategies focus on community capacity-building, enhancing provision of public services and assisting implementation of the Guilford County 10-year Plan to End Homelessness.



F. Geographic Priorities and Core City Plan



The Core City Plan is a major initiative of the High Point City Council. On September 8, 2005, a contract was awarded to the Walker Collaborative to conduct the planning process as well as prepare a Vision and Plan. After the Plan was completed, the Community Growth Vision Statement and Core City Plan were adopted by the High Point City council on February 8, 2007. The Plan's purpose is to provide a clear blueprint for improving the physical, economic and social facets of High Point's central core area: it reflects the collective vision of the community. With adoption of the Plan, other City policies will be adapted for consistency with the plan including zoning, development regulations, and capital improvement projects. In addition to the main focus on the Core City, this project also forged a community-wide vision as a framework into which the Core City Plan and other future plan can fit. As the City moves toward implementation of the Core City Plan, CD&H will continue to re-evaluate its progress and practices to ensure the Department is aligned with Council priorities as articulated in the Plan. The Department will utilize the Plan for guidance on its development, redevelopment and revitalization activities in the City's core area. The Core City area is defined as "downtown and the surrounding neighborhoods, commercial/industrial areas and gateway corridors," illustrated to the left.

A key objective of the Core City Plan is to stabilize and strengthen Core City's neighborhoods by minimizing existing negative conditions while reinforcing positive qualities. The Plan goes further to identify specific improvements in our targeted Core City area. The neighborhoods most commonly have one or more of the following characteristics:

- Natural or man-made boundaries
- Legal subdivision
- Shared development patterns
- Common economic conditions

A common theme expressed throughout neighborhood discussions was that the City largely represented a more post-war suburban feel with houses set back and larger front yards. Most homes were constructed over 50 years ago and are now aging, which represents a great need in the Core City environment. Because of this need, the Core City Plan makes a common recommendation throughout: rehabilitate existing homes, and develop appropriate infill housing on vacant parcels. The Core City Plan lays out specific challenges and recommendations for each affected neighborhood. CD&H programs focus on target areas in the heart of Core City.

Due to the concentration of low-to-moderate income households in the heart of Core City, CD&H has historically targeted neighborhoods in that area. Current targeted neighborhoods are Washington Drive, East Central, Macedonia, Southside and West End, all of which contain the traditional urban land uses of residential, commercial and industrial. Significant residential uses exist in the Washington Drive, East Central and West End sub-neighborhoods. Commercial uses straddle Main Street and the area's historical business corridor. Industrial uses, primarily textile and furniture manufacturing plants, are sprinkled throughout with concentrations in Southside and Macedonia. Violent crime has historically been pervasive but significant impact has been made by the police department's Focused Deterrent Initiative in Southside, West End, East Central and Washington Drive. Targeted areas have a large number of vacant lots and boarded up houses that are a blighting influence. In recent years the City has made a concerted effort to demolish substandard houses that blight Core City neighborhoods.

In an effort to facilitate the construction of infill housing in the Core City, the Department of Planning and Development and the Community Development & Housing Department co-sponsored a text amendment to the City of High Point's development ordinance which establishes a new zoning category known as RS-5, Residential Single Family District. This zoning category is primarily intended to accommodate high-density single family detached dwellings in the Core City where public water and sewer service is required. Overall gross density in RS-5 will typically be 7.0 units per acre or less. This category allows for the construction of homes on lots as small as 5,000 square feet. Utilization of the RS-5 category will require Council approval to rezone all affected properties. The text amendment was unanimously recommended to Council and approved at its regularly scheduled meeting on March 3, 2008. The first application of the RS-5 zoning was in the Southside community.

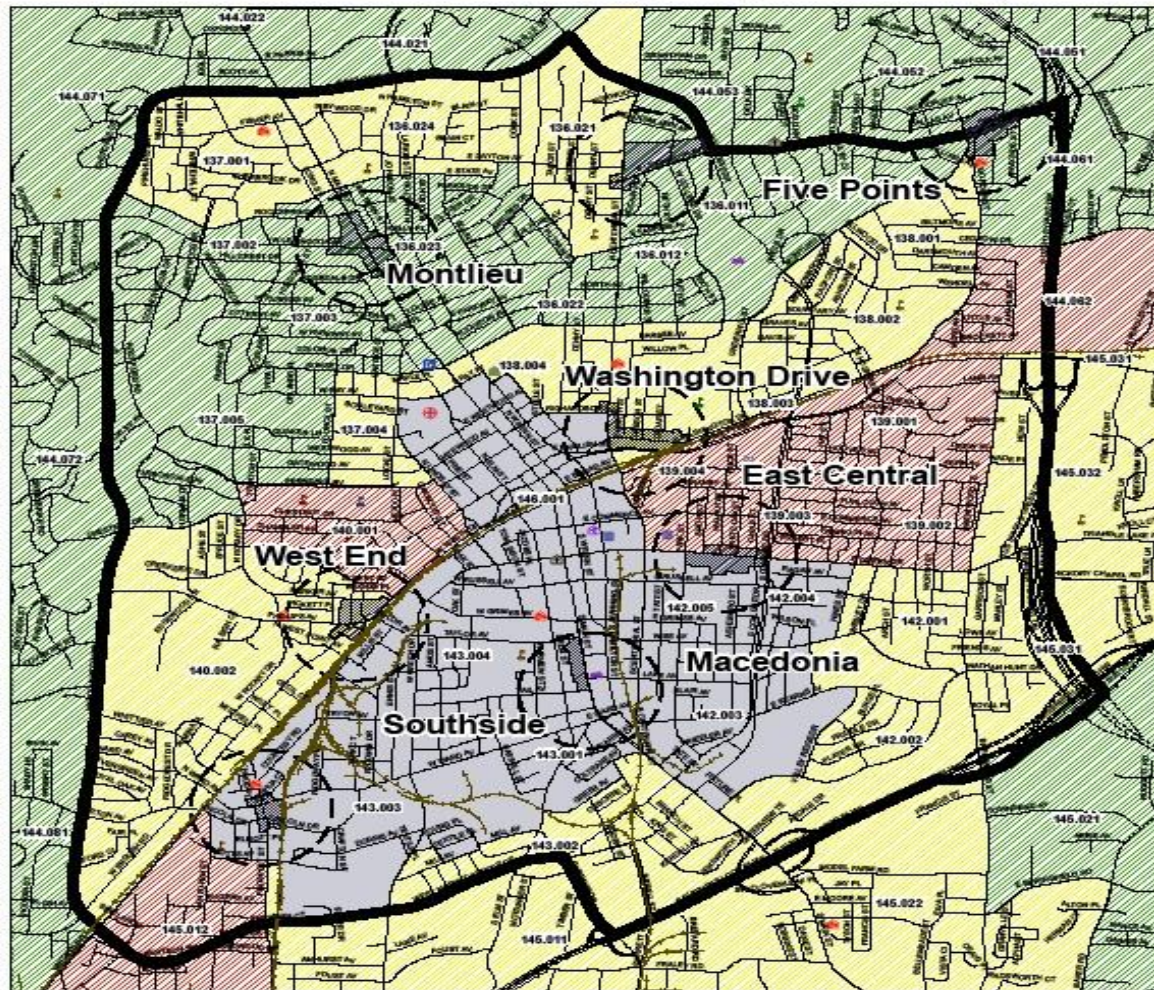
G. Neighborhood Revitalization Strategy Area (NRSA)

The extreme concentration of low-to-moderate income families in the heart of the Core City qualified High Point to obtain Neighborhood Revitalization Strategy Area (NRSA) designations for specific construction projects. This designation is possible due to HUD's desire to create communities of opportunity in distressed neighborhoods. Entitlement communities such as High Point may define a NRSA that meets the threshold for low/moderate income residents and is primarily residential. Within the NRSA the City receives much greater flexibility in the use of CDBG funds to stimulate the reinvestment of human and economic capital by economically empowering low-income residents. In order to enhance the impact of its community development programs in Core City neighborhoods, the Department has submitted an application seeding NRSA designation from HUD in specific Core City areas. The area submitted to HUD for NRSA approval is shown in grey on the map on the following page.

Continuing decline, widespread disinvestment in many communities, and the spillover effects in surround areas all point to the need for a different approach to rebuilding communities. HUD specifies that at least 70% of households in the NRSA must have low-to-moderate incomes, or LMI. The map on the next page depicts LMI household percentages in High Point by census block groups.⁶ Block groups in red have LMI percentages in excess of 70%; yellow areas have LMI percentages of 50-70%; green areas have LMI percentages of less than 50%. Clearly, the greatest concentration of LMI households is in the heart of the Core City. The NRSA designation will be used to enhance revitalization projects in the Macedonia and Southside communities.

⁶ A census block group is a subdivision of a census tract, and is the smallest geographic unit for which the Census Bureau tabulates 100% data. Many blocks correspond to individual city blocks bounded by street but blocks, especially in rural areas, may include many square miles and may have non-street boundaries.

Low / Moderate Percentages by Block Group



The purple/grey areas shown on this map show the boundaries of the NRSA in the City of High Point.

H. Income Guidelines

HUD is required by law to set income limits in determining eligibility of applicants for assisted housing programs which use HUD funds. The income guidelines provided to High Point reflect incomes for the Greensboro-High Point Metropolitan Statistical Area (MSA).⁷ The table below contains 2010 income limits with breakdowns by family size and income categories for High Point. These guidelines form the basis of eligibility criteria for the City's CDBG and HOME- funded projects. According to the 2005-2010 Consolidated Plan, High Point families with incomes at or below 30% of the area median income are at the greatest risk for housing problems.⁸

2012 Income Levels (Source: HUD)				
	Extremely Low Income	Very Low Income	Low Income	Area Median Income
Persons in Household	30% Median	50% Median	80% Median	100% Median
1	\$11,650	\$19,400	\$31,000	\$38,750
2	\$13,300	\$22,150	\$35,400	\$44,250
3	\$14,950	\$24,900	\$39,850	\$49,800
4	\$16,600	\$27,650	\$44,250	\$55,300
5	\$17,950	\$29,900	\$47,800	\$59,750
6	\$19,300	\$32,100	\$51,350	\$64,150
7	\$20,600	\$34,300	\$54,900	\$68,600
8	\$21,950	\$36,500	\$58,450	\$72,300

These families also have the greatest risk of exposure to lead-based paint hazards. The 2012 Median Family income in High Point is \$55,300. Census median family income (MFI) estimates are updated with county-level Bureau of Labor Statistics earnings data and Census American Community Survey (ACS) state-level MFI estimates or ACS local area MFI estimates. Separate HUD MFI estimates are calculated for all MSAs and nonmetropolitan counties. HUD uses the Section 8 program's Fair Market Rent (FMR) area definitions in developing median family income estimates for a given area. HUD income limits are calculated for every FMR area with adjustments for family size and for areas with unusually high or low income-to-housing cost relationships. HUD sets income limits to determine eligibility for each Entitlement's programs and services. FY 2010-2011 MFI estimates are based on data generated by the census for that community, and are updated annually.

⁷ The US Office of Management and Budget designates MSAs according to published standards that are applied to Census Bureau data. The general concept of MSAs is that of a core area containing a substantial population nucleus, together with adjacent communities having a high degree of economic and social integration with that core

⁸ Housing problems are defined as having to pay more than 30% of income for housing, having inadequate kitchen or plumbing facilities, or having overcrowded housing (more than one person per room).

I. Fair Market Rents and Affordable Housing

Fair market rents are set annually by HUD to identify the amount needed to rent modest housing in an area⁹. They are affordability indicators of the general housing market for an area. One way to evaluate rental-housing costs is to compare the Housing Wage¹⁰ to the estimated mean rental wages¹¹. According to the National Low Income Housing Coalition, the housing wage in the Greensboro-High Point MSA is \$13.09 per hour, whereas the estimated mean renter wage in our MSA is \$12.11 per hour. This means that 45% of renters in the Greensboro-High Point MSA can't afford a 2-bedroom apartment at the fair market rent. The table below compares the amount of rent that a lower income family of four can afford at different income levels with the annual HUD-established fair market rent for a two-bedroom unit.

HUD defines "affordable" as housing that costs no more than 30 percent of a monthly household income. Thus, a worker who earns the current minimum wage of \$7.25 per hour should pay no more than \$377.00 per month for rent and basic utilities, an amount that does not cover the rent on a sanitary and decent one-bedroom apartment in any county in America. According to the North Carolina Housing Coalition a worker needs a housing wage of \$11.75/hour or \$2,037.00 per month to afford a two-bedroom apartment in North Carolina¹².

% of Median Income	Annual Income	Affordable Rent (30% of income)	Fair Market Rent 2 bedroom unit	Amount Over What's Affordable
10%	\$5,530.00	\$138.25	\$681.00	\$542.75
20%	\$11,060.00	\$276.50	\$681.00	\$404.50
30%	\$16,590.00	\$414.75	\$681.00	\$266.25
40%	\$22,120.00	\$553.00	\$681.00	\$128.00
50%	\$27,650.00	\$691.25	\$681.00	-\$10.25
60%	\$33,180.00	\$829.50	\$681.00	-\$148.50
70%	\$38,710.00	\$967.75	\$681.00	-\$286.75
80%	\$44,240.00	\$1,106.00	\$681.00	-\$425.00
90%	\$49,770.00	\$1,244.25	\$681.00	-\$563.25
100%	\$55,300.00	\$1,382.50	\$681.00	-\$701.50

According to the chart on the preceding page, lower income families in High Point have great difficulty in affording available housing in the Triad market and are driven towards older neighborhoods. Housing quality and affordability are intertwined, with one factor often forcing the acceptance of undesirable levels of the other. Low-income families unable to afford market rate rents and also unable to access Section 8

⁹ It also establishes the maximum rent that could be provided for Section 8 recipients.

¹⁰ A "housing wage" is a term used to describe the average hourly wage needed to rent a two-bedroom dwelling at fair market rent.

¹¹ Estimated mean renter wage is based on Bureau of Labor Statistics data and adjusted using the ratio of renter to total household income reported in the 2000 census.

¹² The hourly wage needed to afford (at no more than 30% of gross income) a 2-bedroom apartment at Fair Market Rent.

vouchers often find themselves with housing cost burdens that force choices between paying the rent, paying the utilities, food or medicine. Often the poor opt to cut back on medicine, resulting in a decreased quality of life and ultimately higher health care costs for them and the community at large. The inability to pay market rate forces low-income families to find lower cost and lower quality housing found in the older homes of the Core City neighborhoods. Since Core City neighborhoods have the greatest concentration of older housing and consequently the greatest lead poisoning threat, a vicious cycle is put in motion, forcing low-income families to accept the low quality housing, which is all they can afford, and exposing them to hazardous living conditions.

III. Affordable Housing Activities

According to the City's 2010-14 Consolidated Plan, a large percentage of extremely low-income and very low-income households in High Point experience one or more housing problems. Households with housing problems are those households occupying units without a complete kitchen or bathroom, that contain more than one person per room, or that pay more than 30 percent of their income to cover housing expenses. More than one-quarter of all households in our community (at any income level) experience a housing problem, and over one-quarter experience a cost burden of 30 percent or more. Many very low-income and extremely low-income individuals experience severe cost burdens. More than ten percent of all households in High Point experience a cost burden of 50 percent or more, while more than one-half of all extremely low-income households fall into this category. The availability of affordable housing is a local as well as national issue.

Many low-income families in High Point are faced with multiple undesirable choices when seeking housing. They must choose between paying more than they can afford, living in substandard housing, or living in overcrowded housing. These choices have corresponding negative impact in their quality of life. The scarcity of affordable housing in our community is reflected in the extreme concentration of low-income families in older areas of the Core City. Unfortunately, public health records indicate these areas also have the greatest risk for lead based paint hazards. In response to housing needs identified in the Consolidated Plan, Community Development & Housing's affordable housing strategies are focused in three areas:

- ❖ Increasing the supply of safe, sanitary and decent affordable housing (single family and multifamily housing development)
- ❖ Improving the condition of the existing low income housing stock (housing rehabilitation)
- ❖ Improving the accessibility to affordable housing (homebuyer education and down payment assistance)

A. Community Housing Development Organization (CHDO) Activities



Budget:	\$120,355
Activity:	Construction of Affordable Housing
Source:	HOME Investment Partnerships Program
National Objective:	Affordable Housing
Eligibility Citation:	24 CFR Part 92.300
Goal:	Provide affordable homeownership opportunities
Objective:	Providing Affordable Housing (13 homes)
Outcome:	Affordability
Performance Measures:	12 affordable homes

Community Housing Development Organizations (CHDO) are nonprofit organizations whose purpose is to provide decent and affordable housing for low to moderate-income persons. The City is required to set aside fifteen percent of its HOME funds for CHDO activities.

Currently the City has three certified CHDOs: Triad Economic Development Corporation (Triad); Habitat for Humanity of High Point, Trinity and Archdale (Habitat); and Unity Builders, Inc (UBI). Triad has constructed and sold two homes on Windley Street and provides homebuyer education and financial literacy training to low-moderate-income citizens of High Point. Habitat has been contracted to build (17) seventeen single family homes in the 1700 block of Graves Avenue, an area directly adjacent to Washington Terrace Park. Habitat has constructed and sold 12 homes on Graves Avenue area with an additional 6 underway. In addition to TRIAD and Habitat, UBI completed the necessary requirements to be a certified CHDO during the prior fiscal year. CD&H has contracted with Unity Builders, Inc. (UBI) to construct 18 single family homes in Southside. UBI has constructed and sold 7 single family homes in Southside.

B. Emergency Repair Program



Budget:	\$150,000
Activity:	Rehabilitation
Source:	CDBG
National Objective:	Low and Moderate Income Housing
Eligibility Citation:	24 CFR Part 570.202 (a) (1)
Goal:	To provide emergency housing rehabilitation services to 25 low-to-moderate income homeowners; improve quality of existing low to moderate-income housing stock; to acquire dilapidated housing for repair and/or demolition; to mitigate blighting influences and lead-based paint hazards
Objective:	Provide Decent Housing
Outcome:	Affordability
Performance Measures:	25 emergency repairs

Rehabilitation of the City's aging housing stock is geared towards ensuring the continued livability and viability of High Point's limited affordable housing units. The City has committed its emergency repair funds as a match for its lead hazard control grant. Consequently, all emergency repairs are performed in conjunction with a lead remediation project. The Emergency Repair Program is designed to provide quick action in response to homeowners experiencing a system failure that may endanger their health (such as heating systems failure in the winter). Emergency repairs typically completed include the following:

- **Roofing:** Roofing repairs made in a timely manner can prevent further loss from damage to the structure, reduce the incidence of childhood lead poisoning and improve indoor air quality by eliminating moisture intrusion into the living spaces.
- **Heating, Ventilation and Air conditioning:** Heating, air-conditioning and ventilation repairs done in a timely manner can prevent loss of life (due to hypothermia), improve indoor air quality, measurably increase the efficiency of outdated equipment, reduce the burden of high utility bills and ensure a greater degree of affordability for strapped homeowners.
- **Electrical:** Electrical service upgrades to distribution panels and new wiring when necessary improve safety and allow for additional load to be added when replacing and modernizing HVAC systems.
- **Plumbing/Sewer:** Hot water heating failures are addressed to meet minimum housing requirements. Additional plumbing modifications and repairs are sometimes needed to repair broken water and sewer lines.

- **Collapsing floor systems:** Structural (framing) problems incurred primarily as a result of plumbing failures can have repair costs beyond many homeowners' resources. If it is determined that substantial failure is imminent, repairs will be undertaken.

Since CDBG funds are scarce, the Department closely monitors clients' income and asset eligibility criteria to focus resources on the lowest income groups. The City will continue to act as the owner's representative to ensure repairs are performed properly and that customer's expectations are met. Services provided to the property owner include:

- Intake and qualification of applicants
- Inspection and assessment of required repairs
- Preparation of the work write-up
- Manage bid-letting process
- Compliance with HUD and local regulation
- Supervision of work, contractor payment

C. Homebuyer Assistance



Budget:	\$100,000
Source:	HOME
National Objective:	Low & Moderate Income
Eligibility Citation:	24 CFR 92.205 (a) (1)
Goal:	Assist low-to-moderate income families purchase homes
Objective:	Assist low-to-moderate income homebuyers purchase homes
Outcome:	Affordability
Performance Measures:	Number of homes purchased

Homebuyer assistance is critical to the Department's goal of providing decent, safe, and sanitary housing. The program provides down payment and closing cost assistance to first time homebuyers to reduce out of pocket costs in the form of a deferred low-interest rate loan. Homebuyer assistance is offered for the purchase of homes in the city limits of High Point. Traditionally, assistance is up to \$5,000 that can be used for closing costs and/or lowering of the down payment. The department offers additional incentives in the form of homebuyer assistance in Macedonia up to \$7,500 and assistance up to \$10,000 for targeted properties in the West End community. Down payment assistance in the amount of \$7,500 is also available for targeted properties in the Southside community currently under a development contract by the City. These assistance packages are designed to attract homebuyers to these neighborhoods.

Basic program requirements include:

- Completion of an 8-hour Homebuyer Education class offered by a HUD-approved Housing Counseling Agency sponsored by CD&H
- Obtaining a loan to purchase the house from a participating lender
- Meeting income eligibility requirements established for the program
- Purchasing a home within the city limits of High Point
- Post Purchase counseling consisting of two 2-hour individual counseling sessions within the first 12 months of ownership and
- Homebuyers must contribute a minimum \$500 of their own money toward the purchase

Homebuyers meeting these basic program requirements are assisted during the homebuyer process by various professionals who demonstrate an interest in ensuring first time homebuyers receive decent, safe, sanitary and affordable housing.

HUD defines “affordable” as housing that costs no more than 30 percent of a monthly household income. Thus, a worker who earns the current minimum wage of \$7.25 per hour should pay no more than \$377.00 per month for rent and basic utilities, an amount that does not cover the rent on a sanitary and decent one-bedroom apartment in any county in America. According to the North Carolina Housing Coalition a worker needs a housing wage \$11.75 per hour or \$2,037.00 a month to afford a two-bedroom apartment in North Carolina¹³. Increased home prices and rents have pushed the dream of home ownership out of reach for many of the city’s working poor. Our programs are designed for the worker, able to afford the monthly rent, but who cannot raise the required down payment or closing costs required. This barrier to entry is where the City’s programs lend aid to access affordable housing. As the economy improves, we anticipate increased demand for homebuyer assistance.

The sales price of homes purchased with assistance from this program cannot exceed the Federal Housing Administration (FHA) basic standard mortgage limit for Guilford County. Loans are secured by a promissory note and deed of trust that outlines recapture provisions in accordance with 24 CFR Part 92.254. Liens coinciding with the loan terms are placed on all properties.

Homebuyer Education

*Realizing the Dream*¹⁴ education workshops are being offered monthly at rotating locations throughout High Point to assist future first time homebuyers with the home purchasing process. Locations include the Macedonia Family Resource Center, Roy B. Culler Jr. Senior Center, Southside Recreation Center, Morehead Recreation Center, Oakview Recreation Center, Greater First United Baptist Church, Allen Jay Recreation Center and the Community & Neighborhood Development Center.

Consumer Credit Counseling Service will continue its partnerships with the City of High Point to offer this valuable training. The classes are eight hours in length, free to the public and all participants receive a certificate when completed. The classes comprehensively cover the home

¹³ The hourly wage needed to afford, at no more than 30% of gross income, a 2-bedroom apartment at Fair Market Rent.

¹⁴ The HUD-approved curriculum, *Realizing the American Dream Trainer’s Manual*, 4th Edition and its complementing *Homebuyer’s Manual* are the definitive resources for homebuyer training and education. Updated in late 2009, both manuals are available in English, Spanish, Mandarin Chinese and Vietnamese. Developed by industry experts, the manuals cover the entire homeownership process and are organized in 6 modules presented in a format that de-mystifies the complexities of home buying. New features in the 4th edition include more photos and graphics with many useful “green” tips and the latest information on changes in credit and mortgage financing. Also included are valuated teaching tools, participatory activities, worksheets and a CD PowerPoint presentation for each module.

purchasing process. Topics covered include a homeownership overview, financing a home, budgeting, saving and credit counseling, working with a real estate professional, predatory lending, fair housing and foreclosure prevention.

Lender Participation

In order to purchase a house, an applicant must be able to obtain a loan. CD&H is committed to ensure low to moderate-income applicants receive quality loan products and has partnered with the local lending community to help homebuyers obtain an affordable first mortgage. In order to prevent home buyers from being victimized by predatory lenders, the department conducts a free lender certification workshop for mortgage lenders who are interested in working with low income, first time homebuyers. The mortgage lender must complete the workshop in order to become a Participating Lender for the Homebuyer Assistance Program. These workshops equip lenders with the information and forms necessary to submit a complete package for underwriting. A Participating Lender is a lending institution that cooperates with CD&H in the Homebuyer Assistance Program.

Participating lenders must meet the following criteria:

- Offer confirming loans with 1% or less origination fee;
- Charge no brokers fees or costs for providing the loan or other associated charges;
- CLTV not to exceed 100% of the value of the house;
- Maximum loan amount cannot exceed FHA Mortgage limit;
- Offer market interest rate
- Inform, educate, and facilitate the application process; and
- Ensure applicant's income eligibility.

Certification is granted to the individual loan officer attending the lender certification workshop. Currently there are thirty-one individual mortgage loan officers from twelve lending institutions certified to facilitate and submit a package for the down payment and closing costs assistance program on behalf of an eligible first time homebuyer. These certifications provide a common groundwork to help streamline the application process¹⁵ and ensure the access of low to moderate-income families to affordable mortgage products. Participating lenders agree to refrain from predatory lending practices in accordance with guidelines established by the Community Reinvestment Association of North Carolina (CRA-NC)¹⁶.

¹⁵ Since participating lenders agree to submit down payment and closing costs assistance packages to the Department, prospective homebuyers will only have to fill out one application for approval.

¹⁶ The Community Reinvestment Association of North Carolina's mission is to promote and protect community wealth. They advocate for change in the lending practices of financial institutions to promote wealth building for underserved communities and to end predatory lending practices that strip wealth.

D. Infill Housing



Budget:	\$120,000
Activity:	Acquisition and new construction
Source:	HOME Investment Partnerships Program
National Objective:	Affordable Housing
Eligibility Citation:	24 CFR 92.205 (a)(1)
Goal:	Encourage Core City housing development to mitigate blight for improved quality of life
Objective:	To promote the construction of new units of affordable housing
Outcome:	Affordability
Performance Measures:	10 properties

The Infill housing program has been reconfigured to focus on acquiring strategically located properties and preparing them for redevelopment by affordable housing producers. CD&H previously focused on acquiring property in Southside & Graves Avenue areas for the development of affordable housing by CHDOs. However, the City will expand its focus to acquire properties in the vicinity of Park Terrace to facilitate redevelopment by the High Point Housing Authority. As HOME funds cannot be used to assist the Housing Authority, the City will utilize general fund resources for property acquisition.

E. Southside Revitalization Plan



Budget:	\$269,778
Source:	HOME
Activity:	Affordable Housing Infrastructure
National Objective:	Affordable Housing
Eligibility Citation:	24 CFR 92.205(a) (1)
Goal:	Implement Phase I of the Southside Revitalization Plan through units of affordable housing
Objective:	Provide decent housing; suitable living environment
Outcome:	Affordability
Performance Measures:	6 new units of affordable housing

Like so many inner-city neighborhoods across the country, Southside began to decline after World War II when suburban development was the main focus. Southside has transitioned significantly in the last couple of decades from a flourishing, vibrant, and diverse neighborhood to one with acute socio-economic problems. Issues identified in Southside by residents, businesses, property owners, and community groups are:

1. Old, dilapidated buildings next to residential buildings
2. Abandoned and boarded-up houses
3. Lack of sidewalks and other pedestrian amenities
4. Inadequate recreational facilities
5. High crime rate

As a result of the identified issues, the Department commissioned Neighboring Concepts to study the area in the summer of 2004. The purpose of the plan was to provide the guide for development and redevelopment in the Community. The plan would provide a framework to guide future public and private sector decision-making towards long-term objectives. The final report, The Southside Revitalization Plan, was completed and submitted to the neighborhood association for review. This plan was subsequently included in the Core City Plan and approved by Council in February 2007. The Southside Revitalization Plan can be found at www.highpointnc.gov/cd/docs/SSrevitalizationPlans.pdf.

Since the beginning of the construction of Phase 1 of the Southside Redevelopment Project, UBI has completed and sold 5 newly constructed homes to income eligible first-time homebuyers. The developer has continued to partner with local realtor associations and increased staffing capacity. As CD&H prepares for Phase 2, we will continue to focus on the acquisition of land and the demolition of dilapidated housing near the development site. CD&H will look to acquire properties on George Place, Vail Avenue, and Mobile Street in order to broaden the construction area.

F. Low Income Housing Tax Credit Projects (LIHTC)

Budget:	\$280,000
Source:	HOME
Activity:	Affordable Housing
National Objective:	Affordable Housing
Eligibility Citation:	24 CFR 92.205(a) (1)
Goal:	Construction of 54 units for elderly residents
Objective:	Provide decent housing; suitable living environment
Outcome:	Affordability
Performance Measure:	54 Units

Wynnefield Properties was awarded an allocation of Low Income Housing Tax credits needed to develop Admiral Pointe, a 54-unit development for income-qualified elderly residents. The City committed to loan \$560,000 to the development payable over 2 program years. This will be the second payment. Construction is scheduled to begin in April 2012.



IV. Community and Neighborhood Development Activities

The Community and Neighborhood Development Division (CNDD) is charged with developing and implementing the Department's non-housing strategies to implement community capacity development activities that promote stronger neighborhoods. This year the Division will focus on community-building activities such as leadership development, youth development, and basic skills training. This year the Division will continue to focus on community-building activities such as leadership development, youth development, and basic skills training. Special emphasis will be placed on youth development. The Division partners with various organizations to enhance services for low-to-moderate income neighborhoods, coordinates community programs, and is responsible for providing technical and analytical support to the Citizen's Advisory Council as well as the Neighborhood Leader's Council.

Activities undertaken by CNDD include providing neighborhood capacity-building opportunities; helping residents acquire needed skills; enhancing public services; providing resource coordination for residents; assisting in homelessness reduction activities; and assisting residents required to relocate due to housing code enforcement violations. In the upcoming year CNDD will fill one of the three staff positions left vacant in the last two years and will continue to streamline operations. The Division will still be required to focus on strengthening neighborhoods in capacity building. Coordinating multiple programs from HUD and the Community Capacity Development Office at one location allows optimum effectiveness benefitting low-to-moderate income neighborhoods.

CNDD office center is located at 210 Fourth Street. The facility contains a 12-station computer center, two conference rooms, staff offices, a greeting area, and kitchen facilities. The Division continues to be responsible for managing CDBG fund (public service and relocation); Shelter Plus Care program for chronic homeless individuals, and Supervised Visitation Program for Women of Domestic Violence. The CNDD budget includes program delivery costs for implementation of community and neighborhood development activities. The computer lab is available for public use; computers are also used for the Volunteer Income Tax Assistance (VITA) program. CNDD will continue to partner with Guilford Technical community College to provide GED classes.

CNDD's support of the Neighborhood Leader's Council (covering 12 neighborhoods) allows discussion of issues which concern individual neighborhoods as well as the City as a whole. Members learn about local government, discuss crime issues in their areas, create strategies for youth development, organize around City-wide issues and develop a plan of action as a group. The Neighborhood Leader's Council will focus on youth development, boarded-up houses, neighborhood clean-ups, and recruitment of members for individual neighborhood associations.

A. Community Capacity-Building Programs



Budget: \$233,456
Activity: Community capacity-building
Source: CDBG
National Objective: Low-to-moderate Income Area
Eligibility Citation: 570.201 (o)(p)
Goal: To facilitate capacity building activities for community-based organizations

Objective: To conduct twelve capacity building activities by June 30, 2013
(Suitable Living Environment)

Projected Outcome: Sustainability

Public Service Access: Improved

Performance Measures: Projected Census Tracts to be served:
136.01, 136.02, 138, 139, 140, 142, 143, 144.06, 144.08, 145.01, 145.02, 145.03, 146

Community and Neighborhood Development Division helps communities realize their full potential through a variety of educational programs, offering expertise that includes short term and long term training, workshops and individualized instruction and free technical assistance to neighborhoods and organizations as needed. The program is designed to develop, implement and coordinate community capacity-building services to increase neighborhood stability and viability. Staff will provide technical assistance to neighborhood association groups, helping them organize and become catalysts for neighborhood revitalization. This year the Division will continue to focus on community building activities such as leadership development, youth development, basic skills training, and reducing homelessness.

B. Neighborhood Associations:

Burns Hill Neighborhood Association

The Burns Hill Neighborhood Association will continue to be actively involved in neighborhood issues such as crime, youth development, neighborhood beautification, increased membership and other planned neighborhood activities. Also this year the Association plans to identify and prioritize the needs and interest of the neighborhood for use by City departments and City Council to guide decisions affecting the neighborhood.

Burns Hill Neighborhood Association will focus on these activities:

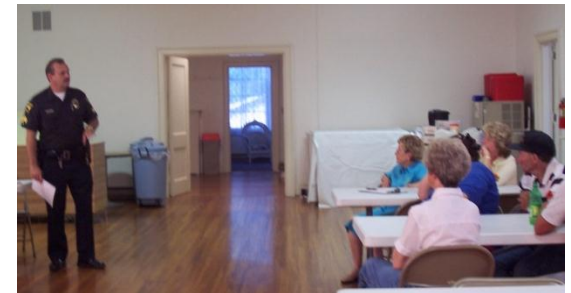
- Recruiting new members
- Neighborhood clean-ups
- Participation in National Night Out
- Hosting a Back-to-School celebration for youth, providing them free school supplies
- Holding a Commitment to Community awards ceremony acknowledging residents in East Central High Point who make a difference
- Stimulate community involvement and collaboration
- Improve health, safety and welfare of the neighborhood by understanding needs/desires of residents
- Inform City departments about neighborhood concerns and visions



Cedrow Neighborhood Association

Cedrow Resident's Association will continue to be actively involved in neighborhood issues by focusing on:

- Increasing active membership by 50% with 6 months
- Developing a youth program
- Participating in National Night Out
- Addressing other issues as needed



Chatham Woods Neighborhood Association

Chatham Woods' goal is to expand their target area beyond the apartment complex to the neighborhood at large. Their focus will be on:

- Increasing membership
- National Night Out
- Community Projects
- Fundraising
- Other activities as needed

Five Points Neighborhood Association

The Five Points Neighborhood Association's major goals for the upcoming year include:

- Reorganization
- Increased membership
- National Night Out participation

Macedonia Neighborhood Watch

The Macedonia Neighborhood Watch will focus on increasing membership, allowing the Association to form committees to work on issues and concerns. CNDD staff will continue to assist with this process. The Association will continue involvement with the Macedonia baseball league designed to offer a high quality sports league for a very low participation fee. Association members volunteer time at the park working the concession stand as well as cleaning up after each game. The Macedonia Family Resource Center will continue to provide daily programs to address needs of those living in the area. Programs will include:

- "Cooking with Dave"
- Piano and voice lessons
- Food pantry
- Free computer classes
- Infinite and Beyond
- GED classes
- Technology Access Point allowing residents to access the main library database to reserve books and have them delivered to the Center
- Youth-centered programs and activities
- English as second language classes
- VITA (Volunteer Income Tax Assistance) site: free tax preparation program

Pershing Street Neighborhood Watch

The Pershing Street Neighborhood Watch will continue to focus on crime/safety issues in the Pershing Street/Lake Avenue area, and lists celebrating National Night Out as its primary goal.

Southside Neighborhood Association

The Southside neighborhood Association is excited about working with a new chairman and officer in the upcoming year. Based on the success of the Community Garden, the Association will continue partnership with the Southside Family Resource Center (Family Service of the Piedmont), N.C. Cooperative Extension, and Guilford County Department of Public Health to plan and improve garden participation.

Planned events include:

- Increase membership (door knocking)
- Neighborhood garden preparation and planning process
- Neighborhood clean-up
- Partner with Unity Builders for Open House showcasing new homes
- Participate in the neighborhood float for the Christmas parade
- Participate in the Annual Homeless Memorial event



West End Neighborhood Association

The West End Neighborhood Association and West End Ministries will work to involve more residents in neighborhood activities. Scheduled activities and goals include:

- Continued diligence regarding notifying police of suspicious activity
- National Night Out
- VITA (Volunteer Income Tax Assistance) site: free tax preparation.
- Youth-centered programs and activities
- Programs for area residents as appropriate/needed

Washington Street Neighborhood Association

The Washington Street Neighborhood Association will schedule planning sessions to increase residents' participation, and will become more interactive with churches, businesses and local schools. The Association will work more diligently with the High Point Police Initiative to end street level drug sales and crime in the area. They will also partner with Changing Tides Cultural Center, the Washington Drive Business Association and the City's Parks & Recreation Department to develop a neighborhood park.

Scheduled activities include:

- Addressing substandard housing
- Neighborhood cleanups
- Holiday caroling
- National Night Out participation
- Door-knocking campaign to increase membership
- Washington Street Fall Festival



CNDD will focus on reorganization and restructuring the following neighborhoods for the upcoming year:

Broadstone Village Homeowners
Habitat Woods Neighborhood Association
Highland Mills Neighborhood Association

C. Public Service Grants

The City of High Point annually sets aside a portion of its Community Development Block Grant entitlement to fund public service activities provided by local community based organizations and non-profits for the benefit of low to moderate-income residents. Eligible activities include labor, supplies and materials, employment, crime prevention, child-care; health; drug abuse; education; fair housing counseling; and energy conservation. The funds are allocated through a competitive process and the Citizens Advisory Council (CAC) reviews all applications and makes recommendations to the City Council. A total of thirteen applications were submitted for funding. The CAC recommended public services grants to the following applicants:

Budget	\$30,360
Activity	CDBG Public Service Subrecipient
Source	CDBG
National Objective	Low to moderate income clientele
Eligibility Citation	570.201(e); 570.208(a)(1) 570.208(a)(2)
Goal	Provide public services benefitting low-to-mod income residents
Objectives	Suitable Living Environment
Outcome	Sustainability
Public Service Access	Improved
Performance Measures	Projected Census Tracts to be served: 136.01, 136.02, 138, 139, 140, 142, 143, 144.06, 144.08, 145.01, 145.02, 145.03, 146

Southside/Fairview Afterschool/Summer Youth Enrichment Program



Family Service of the Piedmont is the largest private nonprofit agency serving children and families in Guilford County. Their mission is to empower individuals and families to restore hope, achieve stability and thrive through quality support services, advocacy and education. This project, Southside/Fairview After School/Summer Youth Enrichment Program, will offer afterschool/summer youths projects and activities designed to enhance social, emotional and cognitive growth and to provide a safe positive haven for youth that are not involved in other programs. CDBG funds will be used for food (afterschool snacks for drop-in youths, a meal once a month for youth leaders of Southside, one snack per day per youth) supplies (arts/craft supplies, replenish educational games/activities, new educational materials) and field trips.

Budget	\$2,000
Activity	CDBG Public Service Subrecipient
Source	CDBG
National Objective	Low to moderate income clientele
Eligibility Citation	570.201(e); 570.208(a)(1) 570.208(a)(2)
Goal	Provide afterschool/summer youth enrichment programs
Objectives	Create suitable living environment
Outcome	Sustainability
Public Service Access	Improved
Performance Measures	Projected number served: 50



Green Street Baptist Church Green Street Baptist Church will be hosting an event in July for 150-200 youths and adults from across the United States for a week of home repairs and building projects. Low income senior adults or disabled households will receive needed repairs to make their homes safer and more habitable at no cost to the homeowner. This project, **World Changers**, will provide a minimum of three homes with needed home repairs which might include roofing, installation of doors and windows, porch repair, paint and/or handicap accessibility ramps. CDBG funds will be used for roofing materials, construction materials, paint supplies and window/door materials.

Budget	\$5,500
Activity	CDBG Public Service Subrecipient
Source	CDBG
National Objective	Low to moderate income clientele
Eligibility Citation	570.201(e); 570.208(a)(1) 570.208(a)(2)
Goal	Provide home repairs
Objectives	Decent housing
Outcome	Availability/accessibility
Public Service Access	Improved
Performance Measures	Projected number served: 18

Helping Hands



Helping Hands Ministry Helping Hands is a well-established Community Emergency Assistance Program that has served the High Point area since 1996. The program provides food assistance, emergency rent and utilities. This project, **General Operational Expenses/Food**, will be used to improve the coordination of available resources in the High Point communities so that the needs of 3000 families and individuals can be met in the most effective and efficient manner. CDBG funds will be used to purchase gasoline for the truck to pick up food supplies for the low to moderate income clients in need.

Budget	\$4,860
Activity	CDBG Public Service Subrecipient
Source	CDBG
National Objective	Low to moderate income clientele
Eligibility Citation	570.201(e); 570.208(a)(1) 570.208(a)(2)
Goal	Emergency food, rent, utilities
Objectives	Create Suitable Living Environment
Outcome	Availability/Accessibility
Public Service Access	Improved
Performance Measures	Improved

Macedonia Family Resource Center

Macedonia Family Resource Center Macedonia Family Resource Center plays host to numerous programs as well as classes offered by GTCC. Their mission is to empower all people by enriching their spiritual, social and family lives. **Brother's Keeper Feeding Program** is a program that will cater to families within the network area of High Point, Russell Street, College, Main and Centennial Street. CDBG funds will be used to purchase food, gas for the vehicle to pick up the food and distribution of the food.

Budget	\$4,000
Activity	CDBG Public Service Subrecipient
Source	CDBG
National Objective	Low to moderate income clientele
Eligibility Citation	570.201(e); 570.208(a)(1) 570.208(a)(2)
Goal	Provide emergency food
Objectives	Suitable living environment
Outcome	Availability/accessibility
Public Service Access	Improved
Performance Measures	Projected number served: 50 families



Mary's House, Inc.

Mary's House, Inc. is a fully licensed therapeutic agency that provides transitional and permanent housing, life skills, training and a supportive community for homeless women in recovery from substance abuse. The program is one of few in the United States that allows women to raise their children while in treatment for addiction issues. The project, ***High Point Mothers In Recovery*** will assist six homeless mothers and six children with permanent housing vouchers for homeless women with chronic addition diagnosis, who are either pregnant or have children. CDBG funds will be used for office supplies, storage space, cell phone, mileage, and a case manager's salary.

Budget	\$2,500
Activity	CDBG Public Service Subrecipient
Source	CDBG
National Objective	Low to moderate income clientele
Eligibility Citation	570.201(e); 570.208(a)(1) 570.208(a)(2)
Goal	Provide permanent housing for homeless recovering mothers & their children
Objectives	Create decent housing
Outcome	Affordability
Public Service Access	Improved
Performance Measures	Projected number served: 12 mothers



Reading Connections, Inc.

Reading Connections is an adult literacy agency for Guilford County, providing one-on-one tutoring and small group classes for adults who wish to improve their basic skills. This program will focus on the literacy skills needed to obtain or retain employment. ***High Point Detention Center Literacy Program*** will provide basic reading/ math instructions and basic/intermediate computer classes for incarcerated men and women. All classes will be taught by trained volunteers recruited by Reading Connections and the Detention Center. CDBG funds will be used for student and instructor materials, general office supplies, salaries (HP Programs Coordinator, Student Services Coordinator & Program Manager) fringe benefits and rent.

Budget	\$5,000
Activity	CDBG Public Service Subrecipient
Source	CDBG
National Objective	Low to moderate income clientele
Eligibility Citation	570.201(e); 570.208(a)(1) 570.208(a)(2)
Goal	Literacy program for incarcerated persons
Objectives	Create suitable living environment
Outcome	Availability/accessibility
Public Service Access	Improved
Performance Measures	Project number served: 60

Salvation Army of High Point



The Salvation Army of High Point provides shelter, case management, food and life skills development classes to homeless single women and families. Major cornerstones are addressed with each resident through case management including financial security, stable housing, medical and mental wellness. In order for the clients to implement the lessons learned within the shelter, the **PART Bus Pass Program** will encourage the clients to implement lessons learned at the shelter by offering passes to them who need to travel for employment/medical appointments. CDBG funds will be used to purchase 423 single-ride bus passes and

Budget	\$2,000
Activity	CDBG Public Service Subrecipient
Source	CDBG
National Objective	Low to moderate income clientele
Eligibility Citation	570.201(e); 570.208(a)(1) 570.208(a)(2)
Goal	Bus passes to jobs/medical appointments
Objectives	Create suitable living environment
Outcome	Availability/accessibility
Public Service Access	Improved
Performance Measures	Projected number served: 464



YWCA of High Point

The YWCA of High Point is dedicated to eliminating racism, empowering women and promoting peace, justice, freedom and dignity for all. **YW Impact & Leadership** will provide a Monday, Wednesday and Friday after school program designed specifically for middle school students to 40 youngsters in High Point who are a part of low to moderate income neighborhoods, providing free after school care for the 2012-13 school year. The program will reduce the number of middle school students home alone during late afternoon and early evening. Participants will have less unsupervised time, thus reducing gang involvement, teen pregnancy and teen crimes in the community. The YWCA will work with school counselors and social workers for referrals and will work with non-profit organizations. CDBG funds will be used for transportation, supplies, snacks and staff/counselors.

Budget	\$4,500
Activity	CDBG Public Service Subrecipient
Source	CDBG
National Objective	Low to moderate income clientele
Eligibility Citation	570.201(e); 570.208(a)(1) 570.208(a)(2)
Goal	Provide financial literacy services
Objectives	Create suitable living environment
Outcome	Sustainability
Public Service Access	Improved
Performance Measures	Projected number served: 40

D. Reducing Homelessness

Partners Ending Homelessness (www.partnersendinghomelessness.org.)

Mission: Partners Ending Homelessness works to encourage public understanding of the causes and conditions of homelessness and lead a strong and stable system of care for individuals and families to reduce homelessness in Guilford County.

Strategy: Partners Ending Homelessness focuses on generating housing, strengthening prevention and supportive service efforts, and increasing coordination, collaboration and access through the continuum of care in our community.

Partners Ending Homelessness seeks to:

- Engage existing and new partners to unite the voice of stakeholders and achieve a shared vision of ending homelessness
- Develop greater visibility and support of the efforts of Partners Ending Homelessness to end homelessness
- Advocate for strong policies that address the root causes of homelessness and initiatives that strengthen our current system of care
- Provide technical assistance and training to homeless service delivery agencies
- Develop and implement strategies and best practices to end homelessness, inclusive of Guilford County's 10-Year Plan to End Chronic Homelessness and the five objectives identified by the US Department of Housing and Urban Development
- Consolidate efforts to increase resources for ending homelessness in Guilford County ensuring that all areas of needs are being addressed
- Evaluate efforts towards ending homelessness overseeing the collection, use, and security of data to determine the effectiveness of outcomes and make adjustments in strategies to improve outcomes

Beginnings: Under the direction of the United States Interagency Council on Homelessness and the non-profit National Alliance to End Homelessness, many communities across the nation were having success in reducing homelessness by developing and implementing a business plan approach with strategies, benchmarks, and budgets. Guilford County became the 210th community nationwide to commit to develop a ten year plan to end homelessness. In February 2006, the Guilford County/High Point/Greensboro Task Force on Ending Homelessness was appointed by the Guilford County Commissioners, High Point City Council and the Greensboro City Council. The Guilford County Task Force to End Homelessness was a comprehensive and focused effort by the community *to improve the quality of life for all residents of Guilford County by ending chronic homelessness and reducing all types of homelessness by 2016*. An extensive plan, *Partnering to End Chronic Homelessness in Guilford County* developed by the task force, was unveiled to the community on June 4, 2007. The plan has two major objectives, Housing and Prevention and Supportive Services, directed around the housing first approach. In 2008, the *Partners Ending Homelessness* initiative began actively implementing, evaluating and updating Guilford County's Ten Year Plan to end chronic homelessness.

In August of 2009, recognizing that partnership is the best way to reduce and prevent homelessness, the *Homeless Prevention Coalition of Guilford County* and the *Partners Ending Homelessness* Initiative began exploring the possibility of a strategic alliance. After five months of researching national best practices, exploring Guilford County's needs, resources, and current efforts to address homelessness, a structured alliance task force comprised of members of both groups proposed the creation of a new non-profit, *Partners Ending Homelessness*, which would focus on ending homelessness and strengthening the system of care, ensuring a more effective approach to homelessness. *Partners Ending Homelessness* would be the result of the consolidation of two groups: the Ten Year Plan to End Chronic Homelessness in Guilford County (the *Partners Ending Homelessness* Initiative) and the Guilford County Continuum of Care (the Homeless Prevention Coalition of Guilford County (already a 501c3 agency)). The strategic alliance was motivated by the desire to achieve one coordinated effort with one voice, increase advocacy and education about the issue of homelessness, consolidate efforts to increase resources for ending homelessness in Guilford County and improve the efficiency and accountability of services while providing administrative oversight of efforts to end homelessness.

Current Work: The organization is developing long-term solutions to help those living below “self-sufficiency” levels to get the additional education and skills to become self-sufficient, attain safe and secure housing, as well as helping service providers to further develop our homeless delivery system. Homelessness is a critical issue for communities across North Carolina and in Guilford County, the issue is a complex one, as homeless people are diverse and the factors that led them to become homeless are equally diverse and vary over time. No one sector or level of government can alone address the problem of homelessness in our community. Through strategic partnerships, Partners Ending Homelessness is tackling the issues that matter most in our community through:

- Increasing resources for affordable housing, permanent housing, prevention and supportive services
- Increasing awareness of homelessness issues among the general population and among leaders in business, government and philanthropy
- Creating stronger case management services to help households who are struggling financially to access resources in the community
- Improving access and awareness of services in Guilford County through increased coordination between mainstream support services and housing providers; fostering collaboration and creating new partnerships between service providers and expanding the coordinated portal of entry system
- Building provider capacity through training, education and technical assistance based on data and results-based best practices
- Increasing data collection and reporting capability through coordinating agencies into a seamless system for homeless consumers, easing access to housing and services and working towards full implementation of the Carolina Homeless Information Network (CHIN)
- Implementing action steps identified in the ten year plan
- It is essential that all groups pool their resources and coordinate efforts by strengthening existing partnerships and creating new ones.

E. Relocation Assistance Due to Code Enforcement



Budget:	\$10,000
Activity:	Relocation Services
Source:	CDBG
National Objective:	Low-to-moderate Income Area
Eligibility Citation:	570.201 (i) and 570.606 (d)
Goal:	Assistance to low-mod residents forced to move due to code enforcement
Objective:	Availability/Accessibility
Projected Outcome:	Sustainability
Public Service Access:	Improved
Performance Measures:	Projected Census Tracts to be served: 136.01, 136.02, 138, 139, 140, 142, 143, 144.06, 144.08, 145.01, 145.02, 145.03, 146

Relocation Assistance is available to income-eligible families who are required to move from their residence due to enforcement of the City's Minimum Housing Code. The number of rooms in the substandard unit cited for code enforcement determines the amount of funds occupants will receive to secure a standard unit. Since the relocations are not caused by federally funded activities, occupants are not eligible for Uniform Relocation Assistance (URA) benefits. However, the High Point City Council has authorized use of the URA moving cost schedule to determine levels of assistance. Funds can be used to pay moving expenses and/or rental security deposits. Reimbursements are based on the URA schedule for the state of North Carolina listed below:

North Carolina Residential Moving Fixed Cost Schedule

	With Furniture								Without Furniture		
Number of rooms	1	2	3	4	5	6	7	8	Each additional	1	Each additional
Assistance	\$500	\$700	\$900	\$1,100	\$1,300	\$1,500	\$1,650	\$1,800	\$150	\$350	\$50

Budget:	\$248,377
Activity:	Administration
Source:	HOME, CDBG and General Funds
National Objective:	N/A
Eligibility Citation:	24 CFR 92.206, 570.200 (a) (3) (i)

Administrative costs that are necessary for program planning and management of the CDBG and HOME programs are charged to program administration. The Community Development and Housing Department is responsible for ensuring program implementation in compliance with national objectives of both programs as well as adherence to state and local requirements. Reasonable administrative and planning costs include, but are not limited to:

- General management, oversight and coordination
- Salaries, wages and related costs of the participating jurisdiction's staff
- Monitoring progress and compliance with program requirements
- Preparing reports and other documents related for submission to HUD
- Coordination of audit and monitoring findings resolutions
- Evaluation of program results against stated objectives
- Travel costs incurred for official business in carrying out the program
- Administrative services performed under third party contracts or agreements
- Capacity building and training activities for staff and non-profits
- Fair housing and activities to affirmatively further fair housing

HUD regulations permit the City to use up to twenty percent of the CDBG grant and up to ten percent of its HOME grant for reasonable administrative and planning costs.

A. HOME Matching Requirements

Jurisdictions participating in the HOME program are required to make contributions to housing that qualifies as affordable housing. During a fiscal year, the contributions or match must total not less than 25 percent of the HOME funds drawn from the jurisdiction's HOME Investment Trust Fund Treasury account in that fiscal year for project costs, unless the participating jurisdiction has received a reduction in the match requirement. The City appropriates funds required to match HOME project costs annually. When the City reimburses itself for eligible HOME expenditures, the City draws the sum of total expenditure minus required match so that the City's required HOME match is realized when funds are drawn from the Treasury.

B. Recapture Provisions

In accordance with the applicable homebuyer recapture/resale provision outlined in 24 CFR Part 92, the City of High Point has adopted the recapture provision for its HOME-assisted homeownership housing. Under the recapture option, the period of affordability is based upon the direct HOME subsidy to the homebuyer. The direct subsidy to the homebuyer is the amount of HOME assistance that enabled the homebuyer to buy the unit. The direct subsidy includes down payment, closing cost, interest subsidies, or other HOME assistance provided directly to the homebuyer. In addition, direct subsidy includes any assistance that reduced the purchase price from fair market value to an affordable price. The City uses HOME funds to provide down payment assistance and closing cost assistance to first-time homebuyers. The City requires the recapture of the direct HOME subsidy from net proceeds when there is a voluntary or involuntary sale of the property during the affordability period. Net proceeds are the funds remaining from the sale of the property by the original homebuyer less the repayment of the outstanding balance on any superior mortgage, sales commission, the original homebuyer's down-payment and the cost of any property improvements made by the original homebuyer. To the extent that net proceeds are available at closing, all or a portion of the HOME funds are due and payable. In the event of foreclosure, the Lender may not require the Borrower to repay an amount greater than the net proceeds available after the foreclosure sale.

Recaptured HOME funds by Community Housing Development Organizations (CHDO), on behalf of the City of High Point, are not considered to be CHDO proceeds but shall be used by the CHDO's to provide affordable housing for City of High Point. Not more than 10 percent of recaptured funds may be used for CHDO administration. Recaptured HOME funds provided by an agency other than a CHDO will be recaptured by the City of High Point to be used for eligible HOME activities in accordance with requirements of HOME statute and regulations in the same manner as program income. Not more than 10 percent of the recaptured funds may be used by the City for administrative or planning costs.

All homeowner assistance funds shall be provided as deferred or amortized loan as evidenced by a note secured by a deed of trust on the property. A declaration of deed restriction is executed indicating the entire amount of the loan shall be due and payable, if the homebuyer does not continue to occupy the property as their principal residence for the duration of the period of affordability ("recapture provision"). During the period of affordability, the homebuyer shall not be permitted to refinance the property without the approval of the City. The recapture provision shall be revoked if an ownership interest is terminated during the period of affordability by foreclosure, transfer in lieu of foreclosure, or assignment of a FHA-insured mortgage to HUD. If the owner thereafter obtained a redemptive interest in the property, the original affordability period resumes and continues until its term expires. The amount due to the City may also be forgiven to the extent allowed in the HOME regulations. The recapture provision ensures that each housing unit will remain affordable for a period of time determined by the schedule below, established in accordance with 24 CFR 92.254 (a) (4):

Homeownership assistance HOME amount per-unit	Minimum period of affordability in
	years
Less than \$15,000	5 years
\$15,000 - \$40,000	10 years
More than \$40,000	15 years

Refinance: During the period of affordability, a homebuyer will not be permitted to refinance the property without the approval of the City of High Point. Generally, subordination will be discouraged unless the primary purpose of the loan is for housing repairs or bill consolidation.

C. Local Monitoring and Compliance

The City of High Point Community Development and Housing Department disburses its Community Development Block Grant (CDBG) and HOME funds in two ways:

1. Acquisition and rehabilitation projects and homeownership opportunities that expand the city's supply of affordable housing; and,
2. Awarding grants to sub-recipients to implement programs/provide services to low and moderate-income residents in Core City areas.

The Department determines the types of activities that can be funded, and the households or individuals who are eligible to receive these benefits. The Department has developed special procedures to ensure sub-recipients are in compliance with applicable regulations. All applicants are required to submit an application that is reviewed by staff.

Once funding is approved for a project, staff coordinates allocation of funds. Organizations and non-profits receiving funds must enter into a detailed performance contract with the City. It describes all federal laws and regulations, and defines reporting and project management responsibilities of the sub-recipient. This contract also states performance goals that the organization is expected to meet. As a project progresses, grantees are required to submit monthly reports. Staff makes quarterly on-site visits to each funded project. They discuss the project's progress with managers and examine records. All CDBG funded sub-recipient projects are required to demonstrate a minimum of low to moderate-income benefit ratio of 70%. To ensure grantees achieve this, the City requires them to focus on providing services to residents of officially designated community development target areas with high concentrations of low-to-moderate income residents. Sub-recipients are also required to make a mid-year report and/or appearance before the Citizen Advisory Council (CAC) at one of its regular meetings to ensure performance measures are being met and funds are expended in a timely manner.

Procedures have been developed by the Department to ensure that all projects and programs funded with CDBG and HOME funds meet required regulations. Households or individuals receiving assistance through a housing program must submit an application that is reviewed by the department's staff to verify eligibility.

D. Fair Housing

Fair housing is the right of individuals to obtain the housing of their choice, free from discrimination based on race, color, religion, sex, disability, familial status, national origin, and, depending on the circumstances, age. This right is assured by the Federal Fair Housing Acts of 1968 and 1988, as amended, which make it unlawful to discriminate in the sale, rental, financing, and insuring of housing. Under the Fair Housing Act an aggrieved person may, not later than one year after an alleged discriminatory housing practice has occurred, file a complaint directly with the U.S. Department of Housing and Urban Development (HUD), or a state or local agency that enforces laws that are “substantially equivalent” to the Fair Housing Act. Upon the filing of such a complaint, HUD has the responsibility to serve notice of the complaint and conduct an investigation into the alleged discriminatory housing practice. The Fair Housing Act declares, “It is the policy of the United States to provide, within Constitutional limitations, for fair housing throughout the United States.” In addition, the law directs all executive departments and agencies to administer their programs and activities related to housing and urban development in a manner that affirmatively furthers the purposes of the Act.

The U. S. Department of Housing and Urban Development requires that all state and local governments participating in their programs submit an analysis of impediments to fair housing (AI). The City of High Point has completed this requirement with assistance from Mullin & Lonergan, Assoc. (M&L). Mullin & Lonergan’s services were engaged to assure HUD and the community that the City is working to ensure that efforts are being made to “affirmatively further fair housing” as set forth in the regulations governing the Community Development Block Grant Program and Title VIII of the Fair Housing Act. The analysis of impediments to fair housing choice identified several impediments that could play a role in prohibiting fair housing choice in High Point. Based on these findings, the City must take appropriate actions to overcome the effects of the impediments identified through the analysis. In conducting the analysis of fair housing choice for the City of High Point, M&L completed a comprehensive review of policies, practices, and procedures that affect the location, availability, and accessibility of housing and current residential patterns and conditions. The analysis includes an examination of existing studies and literature along with a review of public policies from a fair housing perspective. M&L evaluated all the data for effectiveness of existing fair housing activities and examined barriers to fair housing choice for protected classes. Based upon the analysis, M&L provided this report of the findings and recommendations for remedies. The current analysis of impediments to fair housing identifies the following issues which impede the City’s ability to affirm fair housing choice and equal opportunity:

- Lack of appropriate local legislation to address fair housing issues;
- Concentrated fair housing complaints that affect the disabled;
- Lack of cooperation and coordination between public and private agencies on fair housing matters;
- Lack of appropriate training and education for residents about the meaning of fair housing and fair housing rights;
- Zoning regulations preclude the development of affordable housing for affected populations;
- Lack of affordable housing in various types and price ranges;
- Lack of public policy in support of affordable housing

In the fall of 2007, High Point’s City Council voted to enact Fair Housing in High Point. The Human Relations Commission has voted to expand its Fair Housing Committee (FHC) to include members of the public sector who do not sit as human relations commissioners. Last year, invitations for membership to the FHC were issued to the High Point Housing Authority, High Point Housing Coalition, and the Triad Apartment Association (TAA). Fair Housing committee members are Ron Butler, Angela McGill, Cam Cridlebaugh, Steve Key, Mary Gwyn, and Milagros Amaro.

The Human Relations Department is in the process of submitting an application to HUD for Substantial Equivalency Certification, which would designate our department as a Fair Housing Administrative Program (FHAP) agency. This designation means that a State or local agency has the ability to enforce a local law that provides substantive rights, procedures, remedies and judicial review provisions that are substantially equivalent to the federal Fair Housing Act. In addition, the department is currently researching Fair Housing Initiative Program (FHIP) grants and is in conversation with HUD about becoming an FHIP agency until our FHAP status is approved.

To better serve the community, the department has relocated to the second (main) floor of City Hall. The new space has a conference room for conducting training, educational programming, mediations, and an expanded resource area. The department has also added an additional position of Human Relations Specialist, who is responsible for fair housing education, outreach, and investigations. The Human Relations Department is working to develop a Fair Housing & Equal Opportunity educational program.

The Human Relations Department celebrates Fair Housing Month each April. The Department will be working closely with the City of High Point's Community Development & Housing Department to implement the educational component of lead abatement, recognizing that potential fair housing concerns exist related to properties containing lead-based paint hazards.

E. Discharge Policy

The City of High Point does not expend funds directly or indirectly to public institutions and/or systems of care that may discharge persons resulting in homelessness of such persons. The City, however, provides technical assistance to organizations that serve the homeless. The city's Community Development and Housing Department works closely with the High Point Housing Coalition, a task force of homeless shelters and supportive service providers. The city played a leading role in establishing the Housing Coalition and a department staff member continues to provide technical assistance and other support to the group. The City also utilizes its CDBG program to fund public service activities that are available to Homeless Service Providers.

The City of High Point has a Relocation Assistance Plan that ensures uniformity in aiding persons displaced by Minimum Housing Code Enforcement. Extra steps are made to minimize displacement to tenants. Minimum Housing Code provides owners and property managers with ninety days to repair their substandard units. Failure to comply results in notification to owners and tenants that the unit will be placarded and closed immediately after the tenant vacates the structure (thirty days to vacate). Correspondence and a Relocation Assistance brochure (explanation of the relocation program) are personally given to displaced households applying for assistance to ensure their understanding of their rights within the relocation process.

Assistance is available to both renters and homeowners who are required to move from their homes due to the enforcement of the City's minimum housing code. Funds may be used to pay moving expenses and/or rental security deposits. The number of rooms in the substandard unit determines relocation benefits.

VI. Other Activities

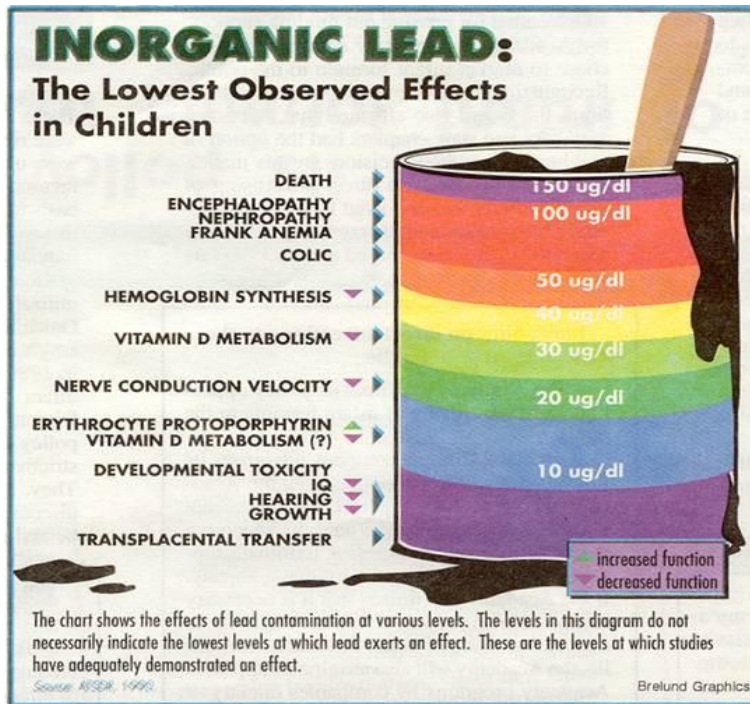
The next several pages detail programs funded by additional grants awarded to the Community Development & Housing Department.

New funds for operations, not including rollover from previous years:

Housing:	Lead Hazard Control Funds	\$2,000,000
	Individual Development Accounts	57,500
	Neighborhood Stabilization Program	356,000
CNDD:	Shelter Plus Care	<u>77,352</u>
TOTAL:		\$2,490,582

The City has received funds for additional activities from competitive grants. These funds enable enhancement and expansion of current efforts to create safe, healthy and sustainable neighborhoods. Lead Hazard grant funds will fund education materials and activities; inspections and risk assessments; remediation services, and clearance of lead in homes built before 1978. Individual Development Account funds assist residents to build wealth through saving and planning, leading ultimately to the purchase of their own home. Shelter Plus Care addresses the needs of the of the chronically homeless in collaboration with Open Door Ministries as part of CD&H's involvement with Guilford County's 10-year Plan to End Homelessness.

A. Lead-Based Paint Hazard Remediation



Budget:	\$2,000,000
Activity:	Lead Hazard Control
Source:	HUD
National Objective:	Low and Moderate Income Housing
Eligibility Citation:	24 CFR Part 35, "Lead-based paint poisoning prevention in certain residential structures"
Goal:	Conduct lead hazard control work activities
Objective:	Conduct lead hazard control activities on 109 units
Outcome:	Lead-safe residences
Performance Measures:	Number of lead remediations

During the course of most rehabilitation activities, whether emergency, limited or comprehensive in scope, it is likely that painted surfaces will be disturbed. The department conforms to the federal mandate established by Title X of the 1992 Housing and Community Development Act that HUD funded programs, including Housing Rehabilitation Programs; incorporate lead-based paint hazard evaluation, remediation/reduction strategies and clearance requirements for all housing structures built before 1978. Over 85 % of United States residential housing built

before 1978 contains some lead-based paint. The estimated number of affected households in the US is believed to exceed 60 million. At the time of the 2010 Census, the City of High Point's housing demographics indicated approximately 69% of local housing stock, approximately 20,970 residential structures, was built before 1978.

Lead is a dangerous and pervasive poison. Anyone at any age, even pets, can become poisoned by lead. Because lead is harmful to the developing brain and nervous system, exposure to lead is especially dangerous to fetuses and young children. Research conducted by Duke University's Nicholas School of the Environment and Earth Sciences demonstrates that lead causes irreversible, asymptomatic effects far below levels previously considered safe. Low-level lead exposure, including prenatal exposure, has been linked to decreased performance on standardized IQ tests and end-of-grade testing for school-aged children.

Children are not uniformly exposed to lead. The age of the child, race/ethnicity, socioeconomic status, and age of housing all play a role in the risk of exposure to and development of childhood lead poisoning. Children living in poverty are four times more likely to have elevated blood lead levels than children from wealthier families. Children with elevated blood lead levels are not distributed evenly; rather, they are disproportionately located in older neighborhoods. Due to their overrepresentation in lower income neighborhoods, African-American children are four times more likely to have elevated blood lead levels than white children. Nationwide, more than one-third of African-American children living in large central cities have elevated blood lead levels.

To reduce the potential for adverse health effects attributable to the rehabilitation of deteriorated lead-based paint surfaces, the city provides educational material to all rehab customers. All customers receiving housing rehabilitation assistance from the city are informed about the potential health hazards posed by the presence of deteriorated lead-based paint. They are provided with information about protecting their families from this hazardous substance. Project Managers, who oversee rehabilitation projects, are trained to incorporate proper hazard reduction techniques into the treatment of lead-based paint.

HUD Lead-Based Paint Hazard Control Grant Award

On September 15, 2011 HUD announced a \$2.475 million Lead-Based Paint Hazard Control Grant award to the City of High Point to continue the Department's on-going Lead-based Paint Remediation Program on private residential housing serving very low to moderate income families. The City's 2008 3 MM HUD Lead-Based Paint Hazard Control Grant expired December 14, 2011 resulting in lead-based paint remediation of 211 residential units.

Goals and Objectives: the City's primary goal is the elimination and/or control of identified lead hazards in one hundred eighty one (181) housing units involving very low to moderate families with children under six years of age, with a priority given to units occupied by children with an Elevated Blood Lead Level.

Other ongoing objectives include:

- 1) Increase the number of children screened for lead poisoning;
- 2) Increase public awareness of lead-based paint prevention through a *Lead Safe High Point* Initiative;
- 3) Promote primary prevention strategies for families with children under six years of age who have low-level lead poisoning of 5 µg/dL < 9 µg/dL (micro grams per deciliter);
- 4) Promote NC Department of Public Health's Preventative Maintenance Program;
- 5) Provide EPA certified Lead Supervisor/Worker and Renovation, Repair and Painting Rule training to contractors, management companies, building inspectors and others;
- 6) Promote comprehensive fair housing initiatives, in cooperation with the City Human Relations Department, to housing providers, civic and community-based organizations, and elected and appointed officials;
- 7) Updates to the city web-based Safe Housing Registry.

Eligible Residential Housing Units: the program is available to all housing units city-wide occupied by income eligible families. However six census tracts/neighborhoods located in the Core-City that have socioeconomic and environmental risk factors which demonstrate the likely prevalence of lead-based paint exposure (including age of housing, poverty, crime, low educational scores, and concentrated ethnicity) will be targeted as follows: Tract Number (Neighborhood) 136.02 (Five Points & Montlieu); 138 (Washington Street); 139 (East Central); 140 (Southside & West End); 142 (Macedonia), and 143 (Highland Mills & Ward Avenue). Current data confirms a higher concentration of children with blood lead poisoning within these tracts. Applicants must meet each of the following criteria: 1) Residential building was constructed prior to 1978; 2) occupied by very low to moderate income person or family; 3) contains lead-based paint, dust or soil.

The following free services will be available to eligible applicants:

1. **Lead Inspection:** an analysis of all coated surfaces to confirm the presence of lead paint coatings (paint, varnish, shellac) in a dwelling for lead with an x-ray fluorescence analyzer – an electronic device used to find lead-based paint.
2. **Risk Assessment:** an analysis report explaining the results of the inspection and to confirm the presence of lead-based paint hazards.
3. **Remediation Services:** activity which eliminates or controls lead paint hazards that have/can cause poisoning.
4. **Clearance:** an environmental test to confirm, by a visual inspection (exterior) and taking dust samples (interior) that lead-based paint hazards have been remediated and that proper clean up using Lead Safe Work Practices has occurred.

The City of High Point has established the following prioritization schedule for identified units:

- referrals from the Guilford County Health Department confirming presence children less than six years of age identified with elevated blood lead levels
- presence of children less than six years of age as part of a Primary Prevention Program, a proactive approach to control lead hazards before children are poisoned
- housing units located in the identified targeted areas;
- Cost Value Benefit (remediation vs. structure value);
- degree of lead hazards;
- housing units earmarked for existing rehabilitation programs; and
- housing units located outside of the targeted areas.

The City of High Point Community Development & Housing Department has affirmed support of Healthy People 2020, a national initiative comprised of state and federal goals to improve the state of health for all US citizens and to end lead-based paint poisoning by 2020.

B. Individual Development Accounts Program



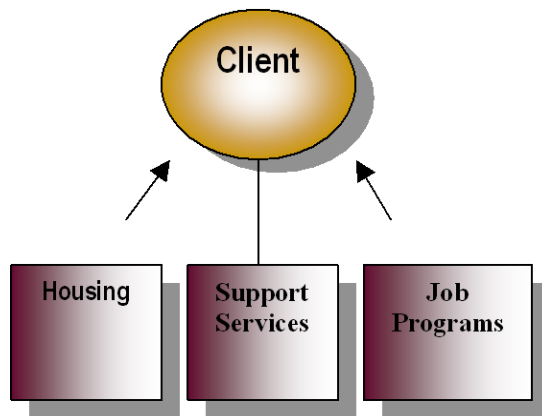
Budget:	\$57,500
Activity:	Assistance toward home purchase
Source:	CDBG
National Objective:	Low-Mod Benefit
Eligibility Citation:	570.201 (n)
Goal:	Personal financial literacy; homeownership
Objective:	Assist 10 households (Create Economic Opportunities)
Outcome:	Affordability
Public Service Access	Improved
Performance Measures:	Improved financial literacy resulting in increased wealth

According to the NC Housing Coalition, the idea for Individual Development Accounts (IDA) was created by author Michael Sherraden in his 1992 book, *Assets and the Poor*. It was further advanced by the Corporation for Enterprise Development in the mid 1990's. One half of all Americans own less than \$1,000 in net financial assets, and one third of American children grow up in households with zero or negative financial assets. IDAs are part of an asset-building strategy that concentrates on building family security by improving long-term economic well-being and emphasizing beneficial behaviors rather than merely offering temporary assistance. IDAs can be used to reward the monthly savings of working-poor families who are building towards purchasing an asset, most commonly buying their first home, paying for post-secondary education, or starting a small business. The City's focus with the IDA program will be on home ownership. CD&H records indicate that most graduates of the Homebuyer Education Program have not purchased a home over the last three years. This indicates that additional financial training is needed to help potential low-to-moderate income homebuyers in High Point. The City will partner with Guilford County Homeownership Center (GCHC) to continue an IDA program specifically for High Point. Financial literacy classes will be held at the Macedonia Family Resource Center, targeting potential homebuyers who have attended the homebuyer education classes but who also realize that they need additional training and assistance in financial management



In response to the higher lending standards as a result of the economic downturn, the Department determined the IDA Program needs to increase focus on spending patterns, the ability to maintain a monthly budget, the ability to save money monthly, and the establishment of an emergency fund to enhance the homebuyer's ability to get a home loan. The habit of saving and planning for unexpected events is imperative to the future success of the IDA graduates. In an effort to allow for other innovative housing opportunities, GCHC along with the City of High Point Community Development and Housing will begin to partner homes acquired through the Neighborhood Stabilization Program with potential homeowners who receive education through IDA. Making homeownership tangible to participants will allow for greater successes.

C. Shelter Plus Care



Budget:	\$77,352
Activity:	Permanent Supportive Housing for the Homeless
Source:	Homeless Assistance Programs
National Objective:	Low to Moderate-Income Limited Clientele
Eligibility Citation:	24 CFR 570.201(p), 208(a)(2) and 582
Goal:	Provide long-term housing and supportive services homeless persons with disabilities
Objective:	Provide permanent shelter for homeless individuals for 5 years. (Creating Economic Opportunities)
Outcome:	Sustainability
Public Service Access:	Improved
Performance Measures:	Projected number of persons to be served- 11

The City of High Point serves as the fiscal agent for the Shelter Plus Care Program with Open Door Ministries serving as the service provider. The program is entering its fourth year and has assisted nine homeless people with disabilities to “come off the streets.” Two people left the program in the first two years and were replaced by others who requested assistance. Open Door Ministries provides ongoing supportive services from obtaining furniture to ensuring clients receive proper medical care.

The City provides yearly inspections at each residence to ensure compliance with HUD quality standards, and processes rent, utilities, and gas payments. Open Door Ministries will provide case management, direct supportive services, and maintain the services provided documentation for each client. Clients who receive disability payments from the federal government are required to make prorated rent payments. Anticipated revenue for the next fiscal year is approximately \$4,340.00 from two clients. Open Door Ministries will be assisting remaining clients to apply for Social Security Disability payments. If Open Door Ministries succeeds in securing these disability payments, the revenue will be added to the program funds. When this revenue amount is substantial another client will be added to the program.

D. NSP Lease Purchase Program

In the summer of 2009 the City of High Point's application for Neighborhood Stabilization Program (NSP) funding was approved. The program, authorized under the Housing and Economic Recovery Act of 2008, was established for the purpose of stabilizing communities that have suffered from foreclosures and abandonment. NSP provided grants to every state and certain local communities to purchase foreclosed or abandoned homes and to rehabilitate, resell, or redevelop these homes in order to stabilize neighborhoods and prevent the further decline of house values of neighboring homes.



The City of High Point realized the goal of the program was more than a means to acquire and redevelop foreclosed properties: it was an opportunity to help rebuild neighborhoods hardest hit by foreclosure with new qualified and able homeowners. An important aspect of the program is that all homebuyers are required to attend homebuyer education classes. These classes help ensure that buyers gain a strong financial foundation and prevent mortgage defaults, and foreclosures, in the future.

The City of High Point used NSP funds to purchase 9 homes with the intent to sell to very low income, first-time homebuyers but has had difficulty selling the single family homes due to insecurity in the job market coupled with potential buyers who unable to meet criteria currently set by the lending industry. Under NSP program guidelines, if the City is unable to sell NSP-assisted homes, alternatives such as lease purchasing or rentals must be considered to ensure the properties benefit low income families. Consequently, the City will make the remaining properties available to income eligible buyers on a lease-purchase basis.



The City plans to initially offer NSP homes for lease-purchase to the participants in the Individual Development Account (IDA) program for 1 year while they prepare for homeownership. During the 12 months, the lessee will receive aggressive financial literacy training in the form of credit counseling, budgeting and saving in preparation to become mortgage ready. The City will pull from a pool of eligible tenants from the City's Housing Authority as well as participants in the Homebuyer Education Classes facilitated by Consumer Credit Counseling Service.

E. Volunteer Income Assistance Program (VITA)



The C&NDD continues to offer free tax preparation for low-to moderate-income individuals during the tax season. The VITA program offers services six days a week free of charge to residents of High Point and surrounding areas and expects to file more than 300 total federal tax returns this year, working with area partners to expand services to tax payers beyond just tax preparation. Partnerships this year will include: United Way of High Point, High Point University, Guilford Technical Community College, West End Ministries, and Macedonia Family Resource Center. The four VITA sites this year are Community and Neighborhood Development Center at 201 Fourth Street, West End Community Center at 901 English Road, and Macedonia Family Resource Center at 401 Lake Avenue.

F. Harmony House

This program, awarded to Family Service of the Piedmont, provides a safe, neutral and family-friendly means of supervised visitation and safe exchange service for victims of domestic violence, child abuse, sexual assault, teen dating violence, and stalking. The program will serve families in Guilford County and surrounding counties as appropriate. The US Department of Justice Office on Violence Against Women will play a substantial role in shaping and monitoring the program. The City of High Point will work collaboratively in planning implementation phases along with Harmony House, Family Service of the Piedmont and the 18th Judicial District Court. The City serves as the pass-through for funds, with CNDD overseeing day-to-day grant management/fiscal responsibilities for the City.

VII. Glossary of Terms

Affordable Housing: Affordable Housing is generally defined as housing where the occupant, who is low to moderate income, is paying no more than 30 percent of his or her income for gross housing costs, including utilities.

Community Development Block Grant Program (CDBG): Authorized by the Housing and Community Development Act of 1974 replacing several community development categorical grant programs. CDBG provides eligible metropolitan cities and urban counties (called "entitlement communities") with annual direct grants that they can use to revitalize neighborhoods, expand affordable housing and economic opportunities, and/or improve community facilities and services, principally to benefit low- and moderate-income persons.

Community and Housing Development Organization (CHDO): A federally defined type of nonprofit housing provider that must receive a minimum of 15 percent of all Federal HOME Investment Partnership funds. The primary difference between CHDO and other nonprofits is the level of low-income resident participation on the Board of Directors.

Consolidated Plan: Developed by local and state governments with the input from citizens and community groups, the Consolidated Plan serves four functions:

- it is a planning document for each state and community, built upon public participation and input;
- it is the application for funds under HUD's formula grant programs (CDBG, HOME, ESG, and HOPWA);
- it outlines out local priorities; and
- it provides a 3-5 year strategy the jurisdiction will follow in implementing HUD programs.

Down Payment: The part of the purchase price of a property that the buyer pays in cash and does not finance with a mortgage.

Debt-to-income ratio: Percentages lenders use to decide whether a loan applicant can afford to make payments on a certain mortgage loan. Lenders may allow first-time homebuyers to use 33% of monthly income for housing costs, and a total of 38% for housing costs and all other debt.

Entitlement: An underlying formula governing the allocation of Block Grant funds to eligible recipients. Entitlement grants are provided to larger urban cities (i.e., population greater than 50,000) and larger urban counties (greater than 200,000).

Extremely low-income family: Family whose income is between 0 and 30 percent of the median income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 30 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

Fair Market Value: The highest price that a buyer, willing but not compelled to buy, would pay, and the lowest a seller, willing but not compelled to sell, would accept.

Fair Market Rents (FMR): Rent Schedules published in the Federal Register that establishes maximum eligible rent levels allowed under the Section 8 program by geographic area.

Family: All persons living in the same household who are related by birth, marriage or adoption.

Gross income: The total amount of money that a person receives, before taxes and other deductions. This income may include funds from a job or jobs; interest or dividends; alimony; disability payments; or public assistance.

HOME: Provides funds to local governments and states for new construction, rehabilitation, acquisition of standard housing, assistance to homebuyers, and tenant-based rental assistance.

Housing expense ratio: The percentage of a person's gross monthly income that it takes to pay a mortgage loan payment plus interest, property taxes, and insurance. Lenders use this ratio to decide whether or not to make mortgage loans.

Household: All the persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

Low-income families: Low-income families whose incomes do not exceed 50 percent of the median family income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 50 percent of the median for the area on the basis of HUD's findings. Such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

Low- and moderate-income household: A household having an income equal to or less than the Section 8 low-income limit established by HUD (80% of the median family income).

Low- and moderate-income person: A member of a family having an income equal to or less than the Section 8 low-income limit established by HUD (80% of the median family income). Unrelated individuals will be considered as one-person families for this purpose.

Mixed-Income: Refers to a resident mix that includes families with various income levels within one development. Mixed-income developments combine public housing families with other residents in order to decrease the economic and social isolation of these families.

Moderate-income: Households whose incomes do not exceed 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller or larger families.

Monthly housing costs: The total of a homeowner's mortgage loan payment and expenses for utilities, general home repair, and upkeep.

Program income: gross income received by recipient or subrecipient directly generated from use of CDBG funds and HOME funds.

Property inspection: The examination of a house by a licensed inspector to see if its structure is sound and if its mechanical systems, such as plumbing and heating, are working.

Public Housing Agency (PHA): Organization created by local government, which administers HUD's Low-Income Public Housing Program and other HUD programs.

Rehab: Short for "rehabilitation." Rebuild an existing house or building, to make the space more livable or usable and more valuable.

Second mortgage: A mortgage that has rights that are subordinate to the rights of the first mortgage holder.

Section 8: HUD assists low- and very low income families in obtaining decent, safe, and sanitary housing in private accommodations by making up the difference between what they can afford and the approved rent for an adequate housing unit.

Specifications: A detailed description of the size, shape, materials, and other details of a building or remodeling project.

Total monthly debt: Total amount of monthly credit card, car loan and other debt payments. Used to determine debt-to-income ratios.

Total monthly income: The amount of money that comes into a household every month from a job or jobs, interest or dividends, alimony, disability payments, and public assistance. A lender uses the total monthly income figure to decide how much house payment a loan applicant can afford. Also called gross monthly income.

Transitional housing: Housing that is designed to provide housing and appropriate supportive services to persons, including (but not limited to) de-institutionalized individuals with disabilities, homeless individuals with disabilities, and homeless families with children; and has as its purpose facilitating the movement of individuals and families to independent living within a time period that is set by the participating jurisdiction or project owner before occupancy.

U.S. Department of Housing and Urban Development (HUD): A federal government agency responsible for managing many of the nation's housing programs and for protecting rights of homebuyers, homeowners, sellers, and renters.

Underwriting: The process of analyzing a borrower's finances and credit in order to decide whether or not to make a loan. The underwriter is the person who has authority to approve a loan.

Unsecured credit: Credit not secured by property (such as a house). A credit card is unsecured debt; Deed of Trust secures a mortgage loan.

VA loans: A loan that is guaranteed by the Veterans Administration.

Very low-income families: Low-income families whose annual incomes do not exceed 50% of HUD-determined median family for the area.

Warranty: A guarantee by a seller or manufacturer that a product is what it is claimed to be, that it is in working order, and, in some cases, that the seller or maker will repair the product.

Comments from February 16th Community Meeting

- Boarded up restaurant across from GTCC on South Main Street is an eyesore
- Need a senior citizen housing complex in Southside
- What is the status of old Presbyterian Home property at 5 Points
- What is the status of 600 Vail Avenue (abandoned church); is CD &H going to purchase? (not decided...)
- There are still crime issues on Washington Street & neighboring areas

Comments from March 1st Community Meeting

- Oakview area doesn't get quick police response; there's fear of retaliation for those who dare to call the PD
- There is a perception that the PD will not take reports
- What's the status of the 10-year plan to end homelessness? (still on tract...)
- What's the state of mental health care, state & county? (being privatized...)
- What happens to demolished homes/properties? (still belongs to owner who is responsible for upkeep...)
- Abandoned church at 602 James Road is still there; what's the holdup in condemning it?
- Is it possible to get City-funded meeting announcement signs for neighborhood associations?

IX. Certifications

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

Affirmatively Further Fair Housing -- The jurisdiction will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.

Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24; and it has in effect and is following a residential anti-displacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.

Drug Free Workplace -- It will or will continue to provide a drug-free workplace by:

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
2. Establishing an ongoing drug-free awareness program to inform employees about –
 - (a) The dangers of drug abuse in the workplace;
 - (b) The grantee's policy of maintaining a drug-free workplace;
 - (c) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (d) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1;
4. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will –
 - (a) Abide by the terms of the statement; and
 - (b) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 4(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 4(b), with respect to any employee who is so convicted:
 - (a) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - (b) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5 and 6.

Anti-Lobbying -- To the best of the jurisdiction's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with instructions; and
3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

Authority of Jurisdiction -- The consolidated plan is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which It is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan -- The housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968, and implementing regulations at 24 CFR Part 135.



5/9/2011

Signature/Authorized Official Date

City Manager

Title

Specific CDBG Certifications

The Entitlement Community certifies that:

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.

Community Development Plan -- Its consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that provide decent housing, expand economic opportunities primarily for persons of low and moderate income. (See CFR 24 570.2 and CFR 24 part 570)

Following a Plan -- It is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.

Use of Funds -- It has complied with the following criteria:

1. **Maximum Feasible Priority.** With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available;
2. **Overall Benefit.** The aggregate use of CDBG funds including section 108 guaranteed loans during program year(s) , (a period specified by the grantee consisting of one, two, or three specific consecutive program years), shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period;
3. **Special Assessments.** It will not attempt to recover any capital costs of public improvements assisted with CDBG funds including Section 108 loan guaranteed funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108, unless CDBG funds are used to pay the proportion of fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. Also, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force -- It has adopted and is enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction;

Compliance With Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 USC 2000d), the Fair Housing Act (42 USC 3601-3619), and implementing regulations.

Lead-Based Paint -- Its activities concerning lead-based paint will comply with the requirements of 24 CFR Part 35, subparts A, B, J, K and R;

Compliance with Laws -- It will comply with applicable laws.



Signature/Authorized Official 5/9/2011
City Manager Date

OPTIONAL CDBG CERTIFICATION

Submit the following certification only when one or more of the activities in the action plan are designed to meet other community development needs having a particular urgency as specified in 24 CFR 570.208(c): The grantee hereby certifies that the Annual Plan includes one or more specifically identified CDBG-assisted activities which are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community and other financial resources are not available to meet such needs.



5/9/2011
Date

Signature/Authorized Official
City Manager

Specific HOME Certifications

The HOME participating jurisdiction certifies that:

Tenant Based Rental Assistance -- If the participating jurisdiction intends to provide tenant-based rental assistance:

The use of HOME funds for tenant-based rental assistance is an essential element of the participating jurisdiction's consolidated plan for expanding the supply, affordability, and availability of decent, safe, sanitary, and affordable housing.

Eligible Activities and Costs -- it is using and will use HOME funds for eligible activities and costs, as described in 24 CFR § 92.205 through 92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in § 92.214.

Appropriate Financial Assistance -- before committing any funds to a project, it will evaluate the project in accordance with the guidelines that it adopts for this



purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing.

5/9/2011
Signature/Authorized Official Date
City Manager

APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING AND DRUG-FREE WORKPLACE REQUIREMENTS:

A. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

B. Drug-Free Workplace Certification

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification.
2. The certification is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, HUD, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.
3. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.
4. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio stations).
5. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph three).
6. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance: ***City of High Point, 211 S. Hamilton Street, High Point NC 27260***

Check if there are workplaces on file that are not identified here. The drug-free workplace certification is required by 24 CFR part 24, subpart F.

7. Definitions of terms in the Non-procurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:

"Controlled substance" means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15); "Conviction" means a finding of guilt (including a plea of no lo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes; "Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance; "Employee" means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All "direct charge" employees; (ii) all "indirect charge" employees unless their impact or involvement is insignificant to the performance of the grant; and (iii) temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of sub-recipients or subcontractors in covered workplaces).



Signature/Authorized Official
City Manager

5/9/2011
Date

ADDENDUM: Recapture Provisions

The City of High Point's HOME program activities include acquisition, rehabilitation, new construction of multi-family rental housing and new construction of single-family for-sale housing to individual low-income homebuyers and down payment assistance. HOME development subsidies are also provided to developer partners for the construction of affordable housing. Development subsidies are structured as grants whereas HOME assistance provided to homebuyers are structured as low to zero interest deferred payment loans. The table below summarizes the list of HOME assisted programs.

Home Activities for Recapture/Resale Provision

Activity	Description	Recapture/Resale
Homebuyer Assistance	Down Payment and Closing Cost Assistance	Recapture
CHDO	Development Subsidy	Resale
LIHTC-Admiral Pointe	Development Subsidy	Resale
Infill Development	Development Subsidy	Resale

In accordance with the applicable homebuyer recapture/resale provision outlined in 24 CFR Part 92.254(a)(5), the City of High Point will apply the following recapture provisions for HOME-assistance used to provide direct subsidies to income eligible homebuyers. Under the recapture option, the period of affordability will be based upon the direct HOME subsidy to the homebuyer. The direct subsidy to the homebuyer is the amount of HOME assistance that enabled the homebuyer to buy the unit. The direct subsidy includes down payment, closing cost, interest subsidies, or other HOME assistance provided directly to the homebuyer. In addition, direct subsidy includes any assistance that reduced the purchase price from fair market value to an affordable price. The City's recapture provisions are summarized below:

1. A HOME Recapture Agreement between the original homebuyer and the City must be signed prior to purchase to document the amount of HOME subsidy, the period of affordability restrictions and homebuyer responsibilities.
2. The new purchaser must be low or moderate income, meeting the HOME Program definition, and occupy the property as the family's principal residence during the entire period of affordability.
3. A Deed of Trust and Promissory Note will be executed and recorded by the City. It must include the number of years for Period of Affordability, the amount of HOME subsidy it used for the Homebuyer, and the terms of occupancy required as their principal residence.
4. Recapture is triggered in the event that the house is sold or occupied by other than the new purchaser during the period of affordability. Non-compliance with the residency requirement will require the immediate payback of outstanding HOME funds not repaid or forgiven.
5. Pre-payment of the HOME Investment loan does not terminate the Period of Affordability. The owner will be required to complete the Period of Affordability as their principal residence. The exception to this is the sale of the residence or foreclosure.
6. For a paying loan, the recapture amount shall be the balance of funds owed on the loan. For a deferred/forgiveable loan, the recapture amount will be determined on a pro-rated basis based on the period of affordability, times the number of each remaining (partial and full) years left in that period.

The City will require the recapture of the direct HOME subsidy from net proceeds when there is a voluntary or involuntary sale of the property during the affordability period. Net proceeds are the funds remaining from the sale of the property by the original homebuyer less the repayment of the outstanding balance on any superior mortgage, sales commission, the original homebuyer's down-payment and the cost of any property improvements made by the original homebuyer. To the extent that net proceeds are available at closing, all or a portion of the HOME funds are due and payable. In the event of foreclosure, the Lender may not require the Borrower to repay an amount greater than the net proceeds available after the foreclosure sale.

HOME funds recaptured by Community Housing Development Organizations (CHDO), on behalf of the City of High Point, will not be considered as CHDO

proceeds but shall be used by the CHDO's to provide affordable housing for City of High Point. Not more than 10 percent of recaptured funds may be used for CHDO administration. Recaptured HOME funds provided by an agency other than a CHDO will be recaptured by the City of High Point to be used for eligible HOME activities in accordance with requirements of HOME statute and regulations in the same manner as program income. Not more than 10 percent of the recaptured funds may be used by the City for administrative or planning costs.

All homeowner assistance funds shall be provided as deferred or amortized loan as evidenced by a note secured by a deed of trust on the property. A declaration of deed restriction will be executed indicating the entire amount of the loan that shall be due and payable, if the homebuyer does not continue to occupy the property as their principal residence for the duration of the period of affordability ('recapture provision'). During the period of affordability, the homebuyer shall not be permitted to refinance the property without the approval of the City. The recapture provision shall be revoked if an ownership interest is terminated during the period of affordability by foreclosure, transfer in lieu of foreclosure, or assignment of a FHA-insured mortgage to HUD. If the owner thereafter obtained a redemptive interest in the property, the original affordability period resumes and continues until its term expires. The amount due to the City may also be forgiven to the extent allowed in the HOME regulations. The recapture provision ensures that each housing unit will remain affordable for a period of time determined by the schedule below, established in accordance with 24 CFR 92.254 (a) (4). The period of affordability is presented in the table below:

HOME assistance amount per-unit	Minimum period of affordability in years
Less than \$15,000	5
\$15,000 - \$40,000	10
More than \$40,000	15

During the period of affordability, a homebuyer will not be permitted to refinance the property without the approval of the City of High Point. Generally, subordination will not be allowed unless the primary purpose of the loan is for housing repairs or bill consolidation. High Point will subordinate loans only for a lower interest rate.

HOME Program Resale Provisions

The City will apply HOME the resale provisions outlined in 24 CFR Part 92.254(a)(5)(i) to administer its eligible HOME-funded CHDO activities for the development of affordable newly constructed single family homes and/or to acquire and rehabilitate existing homes to sale to income eligible homebuyers. As with recapture, the period of affordability will be based on the total amount of HOME funds invested in the housing to include any HOME program income used to assist in the project. HOME funds provided for these activities are solely for the development of the houses only, will not be used for the purpose of lowering the purchase price from fair market value to an affordable price, and no down payment assistance is provided; unless directly applied for from the homebuyer subsequent to the development of the house by the CHDO of which a direct HOME subsidy would then be provided to the respective homebuyer and the recapture provisions will be adopted for the full amount of the HOME subsidy only provided to the homebuyer. The enforcement mechanisms for resale and recapture provisions are summarized below in the table below.

Activity	Description	Recapture/Resale	Enforcement
Homebuyer Assistance	Down Payment and Closing Cost Assistance	Recapture	Lien
Housing Rehabilitation	Home repairs	Recapture	Lien
CHDO	Development Subsidy	Resale	Deed Restrictions
LIHTC-Admiral Pointe	Development Subsidy	Resale	Deed Restrictions
Infill Development	Development Subsidy	Resale	Deed Restrictions

Resale is triggered in the event that the house is sold or occupied by other than the new purchaser during the period of affordability. Non-compliance with

the residency requirement will require the immediate payback of HOME funds invested into the property unless the house is sold. Upon a Resale, if new HOME funds are provided to the subsequent buyer the Period of Affordability will be based upon HOME regulations. Pre-payment of the HOME Investment loan does not terminate the Period of Affordability. The owner will be required to complete the Period of Affordability as their principal residence. The exception to this is the sale of the residence or foreclosure. Enforcement of the City's HOME program resale provisions ensure that:

1. The property is sold to another low-income homebuyer who will use the property as his or her principal residence and enforcing the deed restrictions which shall also be recorded with the secured deeds of trust during the subsequent homebuyer's close on the property;
2. The original homebuyer receives a fair return on investment to include the homebuyer's down payment plus capital improvements made to the house;
3. The property is sold at a price that remains affordable to a reasonable range of low-income homebuyers by targeting low-income potential homebuyers who have received HUD certified homebuyer education training and/or homebuyers that are program qualified to purchase an affordable home by the City's certified CHDOs that average between 60% and 80% our area's median income, as well as in predominantly low-income or census tract identified neighborhoods where most of the City's affordable homes have been developed and are located that already have a pool of income-eligible homebuyers who also average between 60% and 80% our area's income median;
4. An upfront agreement between the original homebuyer and the City must be signed prior to purchase. This must state the amount of HOME subsidy, the Period of Affordability, and state the Fair Return equity sharing provision. A capital improvement list shall be attached;
5. The new homebuyer must be low or moderate income, meeting the HOME Program definition, and occupy the property as the family's principal residence during the entire period of affordability.
6. A Deed Restriction running with the land and Promissory Note must be executed and recorded. It must include the number of years for Period of Affordability, the amount of HOME subsidy it used for the Homebuyer, the terms of occupancy required as their principal residence, and the restriction of the property's sale to only HOME income-eligible buyers during the Period of Affordability.

A capital improvement list shall be included with the up-front agreement. Prior to any capital improvements being made during the Period of Affordability, the owner shall submit plans and specifications for approval as a capital cost. Capital improvements made without approval will not be credited within the Fair Return calculation. Affordable homes developed by the City's certified CHDOs shall have an initial purchase price that does not exceed 95 percent of the median purchase price for the City of High Point's metropolitan area in accordance to the Fair Housing Act (FHA), be the principal place of residency for a low to moderate income eligible homebuyer, and shall be subjected to HUD's resale provisions if the original homebuyer sells the property or makes any transfer of title, either voluntary or involuntary, during the established HOME period of affordability.

The City identifies and shall calculate a fair return on investment to be the total amount of any down payment assistance contributed by the homebuyer (initial investment) on a purchased HOME-funded housing unit plus the value of any home improvements determined to be considered a capital improvement plus a fair return on both the initial investment plus home improvements using the average change in the Consumer Price Index (CPI) over the period of ownership as its standard index for fair return on investment.

Amortization of down-payment assistance loans:

The City of High Point utilizes its HOME program funds to provide down payment and closing costs assistance to income eligible homebuyers. Terms are as follows:

- The City offers assistance up to \$5,000 for a home located within the High Point city limits. Loan repayment terms include a three-year deferment and a three percent (3%) interest rate payable over 5 years. The period of affordability over this period will be 8 years.
- Higher levels of assistance are available for specific targeted revitalization areas. A maximum level of \$7,500 is offered for a home located in the Macedonia, West End and Southside Redevelopment Housing areas. Loan repayment terms include a three-year deferment and a zero percent (0%) interest rate payable over 10 years. The period of affordability over this period will be 13 years.
- The city may at its discretion increase the level of down-payment assistance available in revitalization areas to expand the window of affordability.

The City only uses recapture for down-payment assistance.

Deferred vs forgivable loans

The city utilizes deferred loan payments with homebuyer assistance to enhance the home-buying process. Deferment of the loan payments for three years excludes the transaction from the banks debt coverage analysis (which also widens the window of affordability) and helps the homebuyer stabilize their cash management practices as they adjust to homeownership. Many homebuyers use their income tax refunds to pay down or even pay off the down-payment assistance before loan payments are scheduled to begin. There is no penalty for early payment. The balance of a deferred loan becomes due in the event of a change of ownership or the property ceases to be the primary residence of the HOME beneficiary during the period the affordability.

Forgivable loans are based upon the amount of HOME assistance and secured by a lien will be placed on the property. The term of the forgivable loan will be based on the period of affordability. The balance of the loan will be forgiven incrementally on a monthly basis. At the end of the period of affordability, the loan balance will be zero and lien satisfied. Typically, forgivable loans are utilized for housing rehabilitation projects. The balance of a forgivable loan becomes due in the event of a change of ownership or the property ceases to be the primary residence of the HOME beneficiary during the period the affordability.

Loan subordination

The city of High Point will consent to loan subordination requests under the following circumstances:

- The homeowner is refinancing in order to reduce their rate thereby improving the affordability of the mortgage payment;
- The homeowner is consolidating debt in such a manner to reduce their overall debt load.
- The homeowner is will be conducting repairs on their home.

Under all of the above scenarios, the City will not agree to loan subordination if the homeowner is cashing out.

Enforcement of resale provisions:

Resale provisions are enforced with deed restrictions that run with the land.